



COUNTY OF LOS ANGELES
TREASURER AND TAX COLLECTOR
KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 437
LOS ANGELES, CA 90012



MARK J. SALADINO
TREASURER AND TAX COLLECTOR

January 21, 2014

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

10 January 21, 2014

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**TREASURER AND TAX COLLECTOR
RECOMMENDATION TO AWARD CONTRACT FOR
REAL PROPERTY AUCTIONEERING TO
KENNEDY WILSON, INCORPORATED
(ALL DISTRICTS) (3 VOTES)**

SUBJECT

The recommended action is to approve Contract Award to Kennedy Wilson, Incorporated (KW) for the provision of Real Property Auctioneering Services.

IT IS RECOMMENDED THAT THE BOARD:

1. Award and instruct the Chairman to sign the attached Contract (Exhibit I) with KW to provide Real Property Auctioneering Services to the Treasurer and Tax Collector (TTC) at a Commission Rate of up to a maximum of 4% of the gross sales commencing on February 19, 2014, for a three-year term through February 18, 2017.
2. Delegate authority to the TTC to execute future amendments to extend the Contract for a maximum of two one-year renewals and/or six month-to-month extensions at the option of the TTC in accordance with the term of the Contract.
3. Delegate authority to the TTC to execute future amendments to modify the terms of the Statement of Work (SOW) that do not materially alter the Contract and/or to add and/or change certain terms and conditions in the Contract as required by the Board of Supervisors (Board) or Chief Executive Office (CEO), provided County Counsel's approval is obtained prior to execution of such amendments.

4. Delegate authority to the TTC to approve, if necessary, any assignment and delegation of services performed by KW in order to ensure continuation of Real Property Auctioneering Services needs to meet TTC's mandated operations provided that County Counsel's approval is obtained prior to such assignment to meet TTC's fiduciary obligations to decedent estates under its administration.

5. Delegate authority to the TTC, if necessary, to execute substantially similar Contract(s) to the next highest ranked, most responsive, and responsible proposer identified in this Request for Proposals (RFP) process in order to ensure that unanticipated circumstances or changes in the Real Property Auctioneering Services workload requirements, or the incumbent's inability to provide the required services during the term of the Contract do not jeopardize the TTC's mandated operations, provided County Counsel's concurrence is obtained prior to execution.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The California Probate Code requires the Public Administrator (PA) of each County to take charge of and administer decedent estates for which no estate representative has been appointed. The PA is an Officer of the County government as provided in Government Code Section 24000(I) and the Charter of the County, Article IV, Section 14. The PA conducts the legal process of administering decedent estates under the supervision of the Superior Court.

In the County, the TTC also serves as the PA and, under contract, also provides administrative services to the County Public Guardian as representative of certain conservator estates. The California Probate Code authorizes the PA to sell real property of decedent or conservator estates according to requirements set forth in California Probate Code Sections 10300 – 10316 and 10350 – 10351, when necessary in the best interest of the estates, either by public or private sale.

The TTC currently contracts with KW to provide Real Property Auctioneering Services. The Contract expires on February 18, 2014. The new proposed Contract with KW will ensure continuation of the Real Property Auctioneering Service needs of the TTC and the continuation of Tax Defaulted Property Auction calling services. The recommended Contract will commence upon your Board's approval or February 18, 2014, whichever is later.

Implementation of Strategic Plan Goals

The approval of this Contract is consistent with the County's Strategic Plan Goal of Organizational Effectiveness and Fiscal Responsibility. The recommended Contract provides for ongoing Real Property Auctioneering Services.

FISCAL IMPACT/FINANCING

There is no net County cost as the auctioneer will be paid a commission of up to a maximum of 4% of gross sales from each auction of estate assets.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to Government Code Section 31000, the Board is authorized to contract for special services.

The Contract contains the County's required provisions, including the requirement for the Contractor to notify and assist its employees with the Federal Earned Income Tax Credit application process, the consideration of qualified GAIN/GROW participants for employment openings, compliance with the Jury Duty Ordinance, Safely Surrender Baby Law, and Contractor notification to the County when Contract is within six months from expiration of term.

The recommended Contract with KW is for a term of three years with two one-year and/or six month-to-month extensions, for a maximum term of five years and six months. The Contractor is in compliance with all Board's, CEO's, and County Counsel's requirements.

KW will not be asked to perform services that exceed the Contract Commission Rate, scope of work, or Contract dates of the Contract. The Contract expressly provides that the County has no obligation to pay for expenditures by KW that exceed the maximum Contract Commission Rate. Additionally, the Contract contains performance standards, including liquidated damages for substandard and/or non-performance.

The attached Contract with KW has been reviewed and approved as to form by County Counsel.

CONTRACTING PROCESS

The RFP for Real Property Auctioneering Services was released on August 23, 2013, and was posted on the County Bid Website of registered vendors under the Commodity Code for Auctioneering Services, which consisted of approximately 31 registered vendors in Attachment I. The RFP was also posted to the TTC Website and the notification letter was sent to an additional 43 vendors in Attachment II. The TTC also outreached via email to the California State Auctioneers Association, with a membership of 80, and the Southern California Auctioneer's Association, with a membership of 50.

A Mandatory Proposer's Conference (Conference) was held on September 5, 2013, with six firms attending. Subsequent to the Conference, Addendum 1 was issued on August 28, 2013, to provide updated information related to registration for the Conference. Addendum 2 was issued on September 11, 2013, to provide responses to written questions received and to change Appendix B, SOW, Subparagraph 2.5, Public Auction, Item 2.5.7 and replace Attachment A, Number of Real Property Sales, reflecting the number of brokers participating in Real Property Auctions. Addendum 3 was issued on September 13, 2013, to replace Attachment A, Number of Real Property Sales, reflecting the Gross Sales.

The proposal submission deadline was September 30, 2013. A total of two firms responded with proposals by the due date: CWS Marketing Group and KW.

The Contracts Section performed a preliminary review (Pass/Fail Evaluation) of the proposals received to determine whether proposers were in compliance with the minimum mandatory requirements and responsive to the RFP before being evaluated. In conjunction with County Counsel, the TTC issued Supplemental Data Requests to the two proposers requiring responses back by October 11, 2013.

The evaluation was conducted by a Committee comprised of members from the following County departments: the TTC and the Department of Mental Health. The County's Informed Averaging

scoring methodology was utilized.

The proposal submitted by KW was the highest ranked, most responsive, and responsible of the proposals evaluated. KW met all of the minimum RFP requirements and its proposal was complete and detailed. The proposal clearly demonstrated that KW has a good understanding of the scope of work to be performed and the complexity of the TTC's service requirements. KW has over 35 years experience providing services similar to those being requested by the TTC, including Contracts with other Counties. The proposal was evaluated and rated according to its responsiveness to criteria included in the RFP. As required by the TTC, the proposal submitted by KW provided a description of KW's qualifications, its proposed approach to providing services, and a quality control plan.

Minority, Women, Disadvantaged or Disabled Veteran Business Enterprise statistical information for KW is included in Attachment III. KW is not a certified Small Business Enterprise/Community Based Enterprise. The recommendation of KW is made without regard to race, creed or color. There are no provisions for Cost of Living Adjustment in the attached Contract. This is not a Proposition A Contract; and therefore, is exempt from the Living Wage Program (County Code Chapter 2.201).

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The current Contract for Real Property Auctioneering Services expires on February 18, 2014. The recommended Contract will enable the Contractor to continue the provision of Real Property Auctioneering Services for the TTC.

CONCLUSION

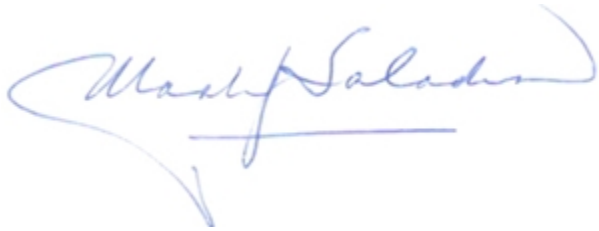
Instruct the Executive Officer/Clerk of the Board to return two signed originals of the Contract and one adopted Board letter to the TTC.

The Honorable Board of Supervisors

1/21/2014

Page 5

Respectfully submitted,

A handwritten signature in blue ink, reading "Mark J. Saladino". The signature is fluid and cursive, with a horizontal line drawn underneath the name.

MARK J. SALADINO

Treasurer and Tax Collector

MJS:SPB:EVT:lc

Enclosures

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors

DOING BUSINESS WITH US

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Home

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L.A. county
 ONLINE

To Enrich Lives Through Effective and Caring Service
**Search for a
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Bid Title

Sort

Award information has not been added at this time.

Bid Information**Bid Number :** RFP RPA 2013-03**Bid Title :** Real Property Auctioneering Services**Bid Type :** Service**Department :** Treasurer and Tax Collector**Commodity :** AUCTIONEERING SERVICES**Open Date :** 8/23/2013**Closing Date :** 9/30/2013 2:00 PM**Notice of Intent to Award :** [View Detail](#)**Bid Amount :** N/A**Bid Download :** [Available](#)
Bid Description : The County of Los Angeles (County) Treasurer and Tax Collector (TTC) is issuing this Request for Proposals (RFP) for the provision of Real Property Auctioneering Services.

The RFP can be downloaded from the Internet by either accessing the County's website at <http://camisvr.co.la.ca.us/lacobids> and selecting "View Open Bids" and then "List by Department," or the TTC's website at <http://ttc.lacounty.gov> by clicking on the "TTC Contract Opportunities" link. Potential proposers should take care to download and review the entire RFP.

The RFP contains the service requirements, proposal content and format requirements, a description of the proposal selection process, and a sample contract for the TTC. Vendors that meet the minimum requirements identified in Paragraph 1.4, Minimum Mandatory Requirements, of the RFP are invited to submit a proposal to provide the services described further in Appendix B, Statement of Work, of the RFP. Potential Proposers should carefully review the RFP and ensure that their proposal complies with all RFP requirements.

A Mandatory Proposers' Conference, to answer questions regarding the written specifications of the RFP, will be held at 10:00 a.m., Pacific Time, on Thursday, September 5, 2013, at the Kenneth Hahn Hall of Administration, 500 West Temple Street, Conference Room 140, Los Angeles, California 90012. Any vendor submitting a proposal MUST ATTEND this Conference or will be disqualified. To register to attend the Mandatory Proposers' Conference, please call Elena Villacrés Torres, Contracts Section, at (213) 974-7360 or send email to contracts@ttc.lacounty.gov no later than Monday, September 9, 2013.

RFP responses must be prepared in accordance with Section 2.0, Proposal Submission Requirements, of the RFP. Proposals are due no later than 2:00 p.m., Pacific Time, Monday, September 30, 2013, and shall be delivered or mailed to the Contracts Section, County of Los Angeles Treasurer and Tax Collector, 500 West Temple Street, Room 437, Los Angeles, CA 90012. Proposals received after the scheduled deadline will not be accepted and shall be returned to the sender unopened.

REAL PROPERTY AUCTIONEERING SERVICES

ATTACHMENT II

1/6/2014

	NAMES	ADDRESS	CITY	STATE	ZIP CODE	PHONE NUMBER	FAX NUMBER	CONTACT PERSON	E-MAIL ADDRESS
1	A.N. Abell Auctioneers	2613 Yates Ave.	Commerce	CA	90040	(323) 724-8102		Robert Abell	
2	Accelerated Marketing Group	2102 Business Center Dr.	Irvine	CA	92612	(949) 313-0700		Tood Good	auctioninfo@amgre.com
3	Allstate-Interstate Auctions	9750 Telfair Ave.	Arleta	CA	91331			Alex Civca	
4	American Standard Auctioneers	22647 Ventura Blvd., Ste. 235	Woodland Hills	CA	91364	(818) 594-0505		David Handelman	
5	Auction-CA	4850 Louise Ave.	Encino	CA	91316			Leo Tamir	
6	Baldwin Hills Realty, Inc.	2609 28th St.	Santa Monica	CA	90405			Frank Jones	
7	Bendis Companies, Inc.	3410 La Sierra Ave., Ste. F-123	Riverside	CA	92503	(877) 424-3337 (951) 780-3418	(443) 347-0552	Jan Bendis	info@bendiscompany.com
8	California State Auctioneers Association	1869 Old Baldy Way	Upland	CA	91784	626-594-6243			info@caauctioneers.org
9	Century Financial, Ltd.	867 W. Glentana St.	Covina	CA	91722	(626) 331-0568	(626) 966-3769	Martin Mayerfield	
10	Coulter and Associates Inc.	471 W. Lambert Rd., #113	Brea	CA	92821	(714) 256-9777		Charles Coulter	
11	Coulter and Associates Inc.	451 W. Lambert Road, Ste. 216	Brea	CA	92821	(714) 256-9777		Becky Romero	
12	Eric Montgomery	246 W. Sepulveda St.	San Pedro	CA	90731			Eric Montgomery	
13	Fairway Real Estate	1920 Standiford Ave. # 2	Modesto	CA	95350	(209) 527-1200	(209) 577-8012	Theora Granville	fairwayre@pacbell.net
14	Farash Real Estate Consulting	8577 Rugby Dr., Ste. 103	West Hollywood	CA	90069			Barbara Farash	
15	Fields Auction and Commercial Real Estate Services	23552 Saint Elena	Mission Viejo	CA	92691			Rich Fields	
16	Flans and Weiner, Inc.	16200 Ventura Blvd., Ste. 417	Encino	CA	91436	(818) 501-4888	(818) 783-7875	Larry Weiner	sales@flansweiner.com
17	Global Investment Enterprises	1625 W. Olympic Blvd.	Los Angeles	CA	90015	(213) 480-9145		Gregory Winslow	
18	Great American Group	6330 Variel Avenue Ste. 100	Woodland Hills	CA	91367	(818) 884-3737	(818) 884-2976	Roy Gamityan	rgamityan@greatamerican.com
19	Homeowners Realty, Inc.	4401 Crenshaw Blvd., Ste. 215	Los Angeles	CA	90043	(323) 290-2260			
20	James Burks, Jr.	304 South Central Ave.	Compton	CA	90220			James Burks, Jr.	
21	Joe Tadlock Auctioneer	6830 E. Washington Blvd.	Commerce	CA	90040	(562) 941-8602	(323) 727-2956	Joe Tadlock	tadlockauction@aol.com
22	John S. Manocchia Auctioneer & Realtor	1741 N. Rose St.	Burbank	CA	91505	(818) 848-8436		John Manocchia	
23	Jordan Grinker and Associates	10590 Dunleer Dr.	Los Angeles	CA	90064			Jordan Grinker	
24	Kennedy Wilson	9701 Wilshire, Blvd., 7th Fl.	Beverly Hills	CA	90212	(310) 887-6446		Rhett Winchell	rwinchell@kennedywilson.com
25	Leonard M. Rood Company	3832 Mound View Ave.	Studio City	CA	91604			Leonard Rood	

REAL PROPERTY AUCTIONEERING SERVICES

ATTACHMENT II

1/6/2014

	NAMES	ADDRESS	CITY	STATE	ZIP CODE	PHONE NUMBER	FAX NUMBER	CONTACT PERSON	E-MAIL ADDRESS
26	Major Properties	1200 W. Olympic Blvd.	Los Angeles	CA	90015	(213) 747-4151		Brad Luster	listings@majorproperties.com
27	Ocean Star	145 N. Atlantic Blvd., Ste. 201	Monterey Park	CA	91765			Peter Lee	
28	Orrill's Auction Studio	1910 W. Adams Blvd.	Los Angeles	CA	90018	(323) 734-3123 (818) 366-7859			orrillsauction@sbcglobal.net
29	Pacific Coast Realty & Auction	24238 Neece Ave.	Torrance	CA	90505	(310) 378-3680		Edmond Bisson	
30	Pacific Credit	P.O. Box 488	Buena Park	CA	90621			Bob Andrade	
31	Real Estate Disposition Corporation	1 Mauchly	Irvine	CA	92618	(949) 458-9879		Robert Friedman	
32	Remarketing Associates, Inc.	3075 E. Thousand Oaks Blvd.	Thousand Oaks	CA	91362	(805) 496-8087	(805) 496-8097	Jeffery Tanenbaum	
33	Rich Wasser Auctioneers	39 Shady Vista Rd.	Rolling Hills Estates	CA	90274	(310) 541-4442	(310) 541-6260	Rich Wasser	richwasser@verizon.net
34	Robert Rouse & Associates	1117 S. Robertson Blvd.	Los Angeles	CA	90035			Robert Rouse	
35	Rouse Max & Sons Inc., Auctioneers	361 S. Robertson Blvd.	Beverly Hills	CA	90211	(800) 421-0816		Max Rouse	info@rouseservices.com
36	Schol Auction Services	18012 Hiawatha St., Apt. 164	Northridge	CA	91326			Robert Schol	
37	Southern California Auctioneers Association	39 Shady Vista Rd.	Rolling Hills Estates	CA	90274	800-352-5572		Rich Wasser	socalauctions@verizon.net
38	Sperry Van Ness Renaissance Commercial, Inc.	18881 Von Karman Ave., Ste. 300	Irvine	CA	92612	(949) 423-6990 (949) 540-9234	(949) 250-4015	Michael Gustafson	mike.gustafson@svn.com
39	Sperry Van Ness, Inc.	18881 Von Karman	Irvine	CA	92612			Patti Zeis	
40	Super Auctions	P.O. Box 2030	Huntington Beach	CA	92647	(714) 535-7000 (714) 329-1373		Robert Storment	rob@superauctions.com
41	The Liquidation Company, Inc.	19528 Ventura Blvd., #376	Tarzana	CA	91356			Brian Myers	
42	Thomas Maxim & Associates	4433 W. Sepulveda Blvd.	Tarzana	CA	90505			Thomas Maxim	
43	U.S. Enterprises	P.O. Box 1337	Rancho Cucamonga	CA	91701			Walter Johnson	
44	Walters and Associates	14731 Franklin Ave., Ste. J	Tustin	CA	92780	(714) 481-3003		Michael Walters	

ATTACHMENT III

MINORITY, WOMEN, DISADVANTAGED OR DISABLED VETERAN BUSINESS ENTERPRISE STATISTICAL INFORMATION

FIRM/ORGANIZATION INFORMATION AS PROVIDED BY PROPOSER
REAL PROPERTY AUCTIONEERING SERVICES

The following information was gathered for statistical purposes only. On final analysis and consideration of award, vendor was selected without regard to gender, race, creed or color.

FIRM INFORMATION	Kennedy Wilson Inc.	
CULTURAL/ETHNIC COMPOSITION	% of Ownership	No.
OWNERS/ PARTNERS:		
Black/African American	N/A	
Hispanic/Latino	N/A	
Asian or Pacific Islander	N/A	
American Indian	N/A	
Filipino	N/A	
All others	N/A	
Women (included above)	N/A	
MANAGERS:		
Black/African American	5	
Hispanic/Latino	22	
Asian or Pacific Islander	14	
American Indian	1	
Filipino	0	
All others	63	
Women (included above)	23	
STAFF:		
Black/African American	23	
Hispanic/Latino	44	
Asian or Pacific Islander	22	
American Indian	5	
Filipino	2	
All others	141	
Women (included above)	73	
TOTAL NUMBER OF EMPLOYEES	204	
BUSINESS STRUCTURE	Corporation	
Certified as Minority, Woman, Disadvantaged or Disabled Veteran Business Enterprise?	N/A	



CONTRACT

BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

KENNEDY WILSON, INC.

FOR

REAL PROPERTY AUCTIONEERING SERVICES

78111

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STANDARD EXHIBITS

- A STATEMENT OF WORK
- A1 STATEMENT OF WORK ATTACHMENTS
- B COMMISSION RATES
- C TECHNICAL EXHIBITS
- D CONTRACTOR'S EEO CERTIFICATION
- E COUNTY'S ADMINISTRATION
- F CONTRACTOR'S ADMINISTRATION
- G FORMS REQUIRED AT THE TIME OF CONTRACT EXECUTION
- H JURY SERVICE ORDINANCE
- I SAFELY SURRENDERED BABY LAW
- J DEFAULTED PROPERTY TAX PROGRAM
- K CHARITABLE CONTRIBUTIONS CERTIFICATION

**CONTRACT BETWEEN
COUNTY OF LOS ANGELES
AND
KENNEDY WILSON, INC.
FOR
REAL PROPERTY AUCTIONEERING SERVICES**

This Contract and Exhibits made and entered into this 19th day of February 2014 by and between the County of Los Angeles, hereinafter referred to as County and Kennedy Wilson, Inc., hereinafter referred to as Contractor. The Contractor is located at 9701 Wilshire Boulevard, Suite 700, Beverly Hills, CA 90212.

RECITALS

WHEREAS, pursuant to Government Code Section 31000 which authorizes the Board of Supervisors (Board) to contract for special services; and

WHEREAS, the Contractor is a private firm specializing in providing Real Property Auctioneering Services; and

WHEREAS, Contractor has submitted a proposal to the Treasurer and Tax Collector (TTC) for provision of Real Property Auctioneering Services and based upon the request for proposal process, Contractor has been selected for recommendation for award of such Contract; and

WHEREAS, the TTC serves as the Public Administrator (PA) in the County;

WHEREAS, the PA is authorized to sell real property belonging to decedent estates and conservator estates; and

WHEREAS, the Board has authorized the TTC to administer this Contract;

NOW THEREFORE, in consideration of the mutual covenants contained herein and for good and valuable consideration, the parties agree to the following:

1.0 APPLICABLE DOCUMENTS

Exhibits A, B, C, D, E, F, G, H, I, J and K are attached to and form a part of this Contract. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule or the contents or description of any task, deliverable, goods, service or other work or otherwise between the base Contract and the Exhibits or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the Contract and then to the Exhibits according to the following priority.

Standard Exhibits:

- EXHIBIT A - Statement of Work (SOW)
- EXHIBIT B - Commission Rates
- EXHIBIT C - Technical Exhibits
- EXHIBIT D - Contractor's EEO Certification
- EXHIBIT E - County's Administration
- EXHIBIT F - Contractor's Administration
- EXHIBIT G - Forms Required at the Time of Contract Execution
- EXHIBIT H - Jury Service Ordinance
- EXHIBIT I - Safely Surrendered Baby Law
- EXHIBIT J - Defaulted Property Tax Program
- EXHIBIT K - Charitable Contributions Certification

2.0 DEFINITIONS

The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

- 2.1 Contract:** Agreement executed between the County and Contractor. It sets forth the terms and conditions for the issuance and performance of the SOW, Exhibit A.
- 2.2 Contractor:** The sole proprietor, partnership or corporation that has entered into a Contract with the County to perform or execute the work covered by the SOW.

- 2.3 Contractor's Contract Administrator:** The individual designated by the Contractor as principal officer to oversee contractual or administrative matters relating to this Contract that cannot be resolved by the Contractor's Contract Manager/Alternate Contract Manager.
- 2.4 Contractor Contract Manager/Alternate Contract Manger:** The individual designated by the Contractor to administer the Contract operations after the Contract award.
- 2.5 County's Contract Administrator:** Person designated by the County with authority for the County on contractual or administrative matters relating to this Contract that cannot be resolved by the County's Manager.
- 2.6 County Contract Manager/Alternate Contract Manger:** Person designated by the County's Contract Administrator to manage the operations under this Contract.
- 2.7 County Contract Monitor:** Person with responsibility to oversee the day-to-day activities of this Contract. Responsibility for inspections of any and all tasks, deliverables, goods, services, and other work provided by the Contractor.
- 2.8 County Secured Property Liaison:** Person designated by the County with authority for the County on all matters pertaining to the Defaulted Tax Auction Calling services.
- 2.9 Day(s):** Calendar day(s) unless otherwise specified.
- 2.10 Fiscal Year:** The 12-month period beginning July 1 and ending the following June 30.
- 2.11 Treasurer and Tax Collector:** As used herein, the term "Treasurer and Tax Collector" shall mean the Director of the County's Department of the Treasurer and Tax Collector.

3.0 WORK

- 3.1** Pursuant to the provisions of this Contract, the Contractor shall fully perform, complete, and deliver on time all tasks, deliverables, goods, services, and other work as set forth in herein.

- 3.2 If the Contractor provides any tasks, deliverables, goods, services, or other work other than as specified in this Contract, the same shall be deemed to be a gratuitous effort on the part of the Contractor, and the Contractor shall have no claim whatsoever against the County.

4.0 TERM OF CONTRACT

- 4.1 The term of this Contract shall be for three years commencing upon approval by the Board or February 19, 2014, whichever is later, unless sooner terminated or extended, in whole or in part, as provided in this Contract.
- 4.2 The County shall have the sole discretion to extend this Contract term for up to two additional optional one-year periods and/or six month-to-month extensions, for a maximum total Contract term of five years and six months. Each such option and/or extension shall be exercised at the sole discretion of the TTC.

The County maintains databases that track/monitor contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the County will exercise a contract term extension option.

- 4.3 The Contractor shall notify the TTC when this Contract is within six months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written notification to the TTC at the address herein provided in Exhibit E, County's Administration.

5.0 COMMISSION RATES

5.1 COMMISSION PAYMENT

By the end of the next business day (5:00 p.m., Pacific Time) after completing the sale of real property, Contractor shall submit the "Offer to Purchase Real Property" form to the TTC. This form shall state the amount of sales commission and/or compensation Contractor shall receive, which is subject to court confirmation. Sales commission and/or compensation and compensation for Special Circumstances shall be in accordance with Exhibit B, Commission Rates.

The TTC shall file a Report of Sale and Petition for Order Confirming Sale of Real Property with the court, which states the

actual provision of Services by Contractor. Payment of sales commission and/or compensation for services performed for real property must receive Court confirmation prior to disbursement. Disbursement of payment to Contractor shall be made at the close of Escrow.

5.2 FIXED DAILY RATE

Contractor shall submit invoice to the County within 24 hours following the completion of a Tax Defaulted Property or Special Circumstance Auction. The invoice shall include at minimum the date, time, location, and name of Contractor staff present at the Tax Defaulted Property or Special Circumstance Auction. Upon approval of invoice by the County's Secured Property Liaison, the County will reimburse Contractor within 30 days of receipt of an invoice according to the fixed daily rate indicated in Exhibit B, Commission Rates, 2, Tax Defaulted Property Fixed Daily Rate Sales Schedule.

5.3 COMMISSION RATES

The Contractor's Commission Rates shall remain firm and fixed for the term of the Contract in accordance with Exhibit B, Commission Rates, of this Contract.

- 5.4** The Contractor shall not be entitled to payment or reimbursement for any tasks or services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein.

6.0 ADMINISTRATION OF CONTRACT - COUNTY

COUNTY ADMINISTRATION

A listing of all County Administration referenced in the following Sub-paragraphs are designated in Exhibit E, County's Administration, of this Contract. The County shall notify the Contractor in writing of any change in the names or addresses shown.

County Personnel

The TTC shall assign a Contract Administrator and a Contract Manager/Alternate Contract Manager to provide overall management and coordination of the contract and act as liaisons for the TTC. The County's Contract Administrator shall provide information to the Contractor in areas relating to policy and procedural requirements and the County Contract Manager will monitor the Contractor's performance during the term of the

Contract. The TTC shall inform Contractor in writing of the name, address, and telephone number of the individuals designated to act as Contract Administrator and Contract Manager or any alternate identified in Exhibit E, County's Administration, of this Contract at the time the Contract is executed and notify Contractor as changes occur.

6.1 COUNTY'S CONTRACT ADMINISTRATOR

- 6.1.1 The County's Contract Administrator is designated in Exhibit E, County's Administration, of this Contract. The TTC shall contact the Contractor in writing of any change in the name or address of the Contract Administrator.
- 6.1.2 The County's Contract Administrator shall be responsible for ensuring that the objectives of this Contract are met and determining Contractor's compliance with the Contract and inspecting all tasks, deliverables, goods, services and other work provided by or on behalf of Contractor.
- 6.1.3 The County's Contract Administrator is responsible for providing overall direction to Contractor in the areas relating to County policy, information requirements, and procedural requirements.
- 6.1.4 The County's Contract Administrator is not authorized to make any changes in any of the terms and conditions of this Contract except as permitted in accordance with Sub-paragraph 8.1, Change Notices and Amendments, of this Contract and is not authorized to further obligate the County in any respect whatsoever.

6.2 COUNTY'S CONTRACT MANAGER

The responsibilities of the County's Contract Manager/Alternate Contract Manager include:

- Request meetings as needed with the Contractor's Contract Manager/Alternate Contract Manager; and
- Inspect any and all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor.

The County's Contract Manager/Alternate Contract Manager is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate the County in any respect whatsoever.

6.3 COUNTY'S CONTRACT MONITOR

The County's Contract Monitor is responsible for overseeing the day-to-day administration of this Contract. The County's Contract Monitor reports to the County's Contract Manager/Alternate Contract Manager.

7.0 ADMINISTRATION OF CONTRACT - CONTRACTOR

Contractor Personnel

Contractor shall assign a sufficient number of employees to perform the required work. At least one employee on site shall be authorized to act for Contractor in every detail and must speak and understand English.

Contractor shall be required to background check its employees as set forth in Sub-paragraph 7.5, Background and Security Investigations, of this Contract.

7.1 CONTRACTOR'S CONTRACT ADMINISTRATOR

7.1.1 Contractor's Contract Administrator shall be a full-time employee of Contractor. Contractor's Contract Administrator shall be the principal officer in the Contractor's office to service the Contract and to act as a liaison for the Contractor in coordinating the performance under the Contract. The TTC must be provided in writing with the name, address, and telephone number of the individual designated to act as Contract Administrator or any alternate identified in Exhibit F, Contractor's Administration, of this Contract, and provide a current copy of the person's resume at the time the Contract is executed and notify the TTC as changes occur.

7.1.2 Contractor's Contract Administrator shall be responsible for Contractor's performance of all tasks, deliverables, goods, services and other work provided by or on behalf of Contractor and ensuring Contractor's compliance with this Contract.

7.1.3 Contractor's Contract Administrator shall be available to meet and confer with County's Contract Administrator on an as needed basis, either in person or by telephone as mutually agreed by the parties, to review Contract performance and discuss Contract coordination. Such

meetings shall be conducted at a time and place as mutually agreed by the parties.

7.2 CONTRACTOR'S CONTRACT MANAGER

7.2.1 Contractor's Contract Manager/Alternate Contract Manager shall be a full-time employee of Contractor. The Contractor shall inform the TTC in writing of the name, address, and telephone number of the individual designated to act as Contract Manager/Alternate Contract Manager, identified in Exhibit F, Contractor's Administration, of this Contract and provide a current copy of the person's resume at the time the Contract is executed and notify the TTC as changes occur.

7.2.2 The Contractor's Contract Manager/Alternate Contract Manager must have a minimum of three years documented experience providing services similar to those requested in this Contract, be a full-time employee of the Contractor, and be able to fluently read, write, speak, and understand English.

7.2.3 The Contractor's Contract Manager/Alternate Contract Manager shall have full authority to act for the Contractor on all matters relating to the daily operation of the Contract. The Contract Manager/Alternate Contract Manager shall be available during normal work hours, 8:00 a.m. to 5:00 p.m. (Pacific Time), Monday through Friday, for telephone contact and to meet with the TTC personnel designated to discuss the operation of the Contract. The TTC shall have the right to approve the assignment or replacement of any Contract Manager/Alternate Contract Manager recommended by the Contractor.

7.3 APPROVAL OF CONTRACTOR'S STAFF

The County has the absolute right to approve or disapprove all of the Contractor's staff performing work hereunder and any proposed changes in the Contractor's staff including, but not limited to, the Contractor's Contract Manager/Alternate Contract Manager.

7.4 CONTRACTOR'S STAFF IDENTIFICATION

Contractor shall provide, at Contractor's expense, all staff providing services under this Contract with a photo identification badge.

7.5 BACKGROUND AND SECURITY INVESTIGATIONS

- 7.5.1 Each of Contractor's staff performing services under this Contract is in a designated sensitive position, as determined by the County in the County's sole discretion, shall undergo and pass a background investigation to the satisfaction of the County as a condition of beginning and continuing to perform services under this Contract. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and Federal-level review, which may include, but shall not be limited to, criminal conviction information. Examples of disqualifying factors include, but are not limited to, bribery, robbery, theft, fraud, embezzlement, forgery, extortion and perjury or possession, sale or attempt to sell a controlled substance, and possession, sale or attempt to sell stolen property or any felony conviction or conviction of a misdemeanor involving moral turpitude, and job-related misdemeanor convictions. The fees associated with the background investigation shall be at the expense of the Contractor regardless if the member of the Contractor's staff passes or fails the background investigation.
- 7.5.2 If a member of Contractor's staff does not pass the background investigation, the County may request that the member of Contractor's staff be immediately removed from performing services under the Contract at any time during the term of the Contract. The County will request the Contractor to advise the Contractor's staff member who did not pass the background investigation to contact the County immediately to receive a copy of the Criminal Offender Record Information (CORI) obtained from the Department of Justice and through the County's background investigation.
- 7.5.3 The County, in its sole discretion, may immediately deny or terminate facility access to any member of Contractor's staff that does not pass such investigation to the satisfaction of the County or whose background or conduct is incompatible with County facility access.
- 7.5.4 Disqualification of any member of Contractor's staff pursuant to this Paragraph 7.5 shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

7.6 CONFIDENTIALITY

- 7.6.1 Contractor shall maintain the confidentiality of all records and information in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality including, without limitation, the County policies concerning information technology security and the protection of confidential records and information.
- 7.6.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents from and against any and all claims, demands, damages, liabilities, losses, costs and expenses including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with or related to any failure by Contractor, its officers, employees, agents or subcontractors to comply with this Paragraph 7.6 as determined by the County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 7.6 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by the County. Notwithstanding the preceding sentence, the County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide the County with a full and adequate defense, as determined by the County in its sole judgment, the County shall be entitled to retain its own counsel including, without limitation, the County Counsel and reimbursement from Contractor for all such costs and expenses incurred by the County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction or make any admission, in each case, on behalf of the County without the County's prior written approval.
- 7.6.3 Contractor shall inform all of its officers, employees, agents, and subcontractors providing services hereunder of the confidentiality provisions of this Contract.
- 7.6.4 Contractor shall sign and adhere to the provisions of the Contractor Acknowledgement and Confidentiality Agreement, Exhibit G1.

- 7.6.5 Contractor shall cause each employee performing services covered by this Contract to sign and adhere to the provisions of the Contractor Employee Acknowledgment and Confidentiality Agreement, Exhibit G2.
- 7.6.6 Contractor shall cause each non-employee performing services covered by this Contract to sign and adhere to the provisions of the Contractor Non-Employee Acknowledgment and Confidentiality Agreement, Exhibit G3.
- 7.6.7 During the term of the Contract, the Contractor shall maintain an updated file of the signed forms and shall forward copies of all signed forms to the TTC's Contract Administrator whenever changes in personnel occur.

8.0 STANDARD TERMS AND CONDITIONS

8.1 CHANGE NOTICES AND AMENDMENTS

- 8.1.1 The County reserves the right to initiate Change Notices that **do not affect** the Term or Commission Rates and do not materially alter the Contract. All such changes shall be executed with a Change Notice to this Contract signed by the Contractor and by the County's Contract Administrator.
- 8.1.2 For any change, which affects the Commission Rates and/or SOW that does not materially alter the Contract, an Amendment to this Contract shall be prepared and executed by the Contractor and the Treasurer and Tax Collector, provided County Counsel's approval is obtained prior to execution of such Amendment(s).
- 8.1.3 For any change, which affects the Term or Commission Rates and/or SOW under this Contract that materially alters the Contract, an Amendment to this Contract shall be prepared; therefore, executed by Contractor and by the Treasurer Tax Collector or his/her designee, and thereafter by the County's Board.
- 8.1.4 The County's Board or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The County reserves the right to add and/or change such provisions as required by the County's Board or Chief Executive Officer. To implement such changes, an

Amendment to the Contract shall be prepared and executed by the Contractor and by the Treasurer and Tax Collector or his/her designee.

- 8.1.5 The Treasurer and Tax Collector may, at his/her sole discretion, authorize extensions of time as defined in Paragraph 4.0, Term of Contract, of this Contract. For the exercise of the TTC's additional optional one-year periods and/or six month-to-month extensions, a written notice shall be prepared and signed by the TTC and delivered to the Contractor prior to the expiration of the current Contract Term. The Contractor agrees that such extensions of time shall not change any other term or condition of this Contract during the period of such extensions.

8.2 ASSIGNMENT AND DELEGATION

- 8.2.1 The Contractor shall not assign its rights or delegate its duties under this Contract or both, whether in whole or in part, without the prior written consent of the County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this sub-paragraph, the County consent shall require a written amendment to the Contract, which is formally approved and executed by the parties. Any payments by the County to any approved delegate or assignee on any claim under this Contract shall be deductible, at County's sole discretion, against the claims, which the Contractor may have against the County.
- 8.2.2 Shareholders, partners, members or other equity holders of Contractor may transfer, sell, exchange, assign or divest themselves of any interest they may have therein. However, in the event, any such sale, transfer, exchange, assignment or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership or legal entity other than the majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of the County in accordance with applicable provisions of this Contract.
- 8.2.3 Any assumption, assignment, delegation or takeover of any of the Contractor's duties, responsibilities, obligations or

performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout or any other mechanism, with or without consideration for any reason whatsoever without the County's express prior written approval, shall be a material breach of the Contract which may result in the termination of this Contract. In the event of such termination, the County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

8.3 AUTHORIZATION WARRANTY

The Contractor represents and warrants that the person executing this Contract for the Contractor is an authorized agent who has actual authority to bind the Contractor to each and every term, condition, and obligation of this Contract and that all requirements of the Contractor have been fulfilled to provide such actual authority.

8.4 BUDGET REDUCTIONS

In the event that the County's Board adopts, in any fiscal year, a County Budget which provides for reductions in the salaries and benefits paid to the majority of County employees and imposes similar reductions with respect to County Contracts, the County reserves the right to reduce its payment obligation under this Contract correspondingly for that fiscal year and any subsequent fiscal year during the term of this Contract (including any extensions), and the services to be provided by the Contractor under this Contract shall also be reduced correspondingly. The County's notice to the Contractor regarding said reduction in payment obligation shall be provided within 30 calendar days of the Board's approval of such actions. Except as set forth in the preceding sentence, the Contractor shall continue to provide all of the services set forth in this Contract.

8.5 COMPLAINTS

The Contractor shall develop, maintain, and operate procedures for receiving, investigating, and responding to complaints.

8.5.1 Within ten business days after Contract effective date, the Contractor shall provide the County with the Contractor's policy for receiving, investigating, and responding to user complaints.

- 8.5.2 The County will review the Contractor's policy and provide the Contractor with approval of said plan or with requested changes.
- 8.5.3 If the County requests changes in the Contractor's policy, the Contractor shall make such changes and resubmit the plan within five business days for the County's approval.
- 8.5.4 If, at any time, the Contractor wishes to change the Contractor's policy, the Contractor shall submit proposed changes to the County for approval before implementation.
- 8.5.5 The Contractor shall preliminarily investigate all complaints and notify the County's Contract Manager of the status of the investigation within five business days of receiving the complaint.
- 8.5.6 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.
- 8.5.7 Copies of all written responses shall be sent to the County's Contract Manager/Alternate Contract Manager within three business days of mailing to the complainant.

8.6 COMPLIANCE WITH APPLICABLE LAW

- 8.6.1 In the performance of this Contract, Contractor shall comply with all applicable Federal, State, and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.
- 8.6.2 Contractor shall indemnify, defend, and hold harmless the County, its officers, employees, and agents from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with or related to any failure by Contractor, its officers, employees, agents or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies or procedures, as determined by the County in its sole judgment. Any legal defense pursuant to Contractor's

indemnification obligations under this Paragraph 8.6 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by the County. Notwithstanding the preceding sentence, the County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide the County with a full and adequate defense, as determined by the County in its sole judgment, the County shall be entitled to retain its own counsel including, without limitation, the County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by the County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction or other equitable relief or make any admission, in each case, on behalf of the County without the County's prior written approval.

8.7 COMPLIANCE WITH CIVIL RIGHTS LAWS

The Contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17) to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation or national origin, be excluded from participation in, be denied the benefits of or be otherwise subjected to discrimination under this Contract or under any project, program or activity supported by this Contract. The Contractor shall comply with Exhibit D, Contractor's EEO Certification.

8.8 COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM

8.8.1 Jury Service Program

This Contract is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service (Jury Service Program) as codified in Sections 2.203.010 through 2.203.090 of the County Code, a copy of which is attached as Exhibit H and incorporated by reference into and made a part of this Contract.

8.8.2 Written Employee Jury Service Policy

1. Unless the Contractor has demonstrated to the County's satisfaction either that the Contractor is not a "Contractor" as defined under the Jury Service Program

(Section 2.203.020 of the County Code) or that the Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), the Contractor shall have and adhere to a written policy that provides that its employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual Jury Service. The policy may provide that employees deposit any fees received for such Jury Service with the Contractor or that the Contractor deduct from the employee's regular pay the fees received for Jury Service.

2. For purposes of this sub-paragraph, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full-time employee of the Contractor. "Full-time" means 40 hours or more worked per week or a lesser number of hours if (1) the lesser number is a recognized industry standard as determined by the County or (2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If the Contractor uses any subcontractor to perform services for the County under the Contract, the subcontractor shall also be subject to the provisions of this sub-paragraph. The provisions of this sub-paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.
3. If the Contractor is not required to comply with the Jury Service Program when the Contract commences, the Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and the Contractor shall immediately notify the County if the Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if the Contractor no longer qualifies for

an exception to the Jury Service Program. In either event, the Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that the Contractor demonstrate, to the County's satisfaction that the Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that the Contractor continues to qualify for an exception to the Jury Service Program.

4. Contractor's violation of this sub-paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, the County may, in its sole discretion, terminate the Contract and/or bar the Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

8.9 CONFLICT OF INTEREST

- 8.9.1 No County employee whose position with the County enables such employee to influence the award of this Contract or any competing Contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by the Contractor or have any other direct or indirect financial interest in this Contract. No officer or employee of the Contractor who may financially benefit from the performance of work hereunder shall in any way participate in the County's approval or ongoing evaluation, of such work or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.
- 8.9.2 The Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. The Contractor warrants that it is not now aware of any facts that create a conflict of interest. If the Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply

with the provisions of this sub-paragraph shall be a material breach of this Contract.

8.10 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF OR RE-EMPLOYMENT LIST

Should the Contractor require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, the Contractor shall give first consideration for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this Contract.

8.11 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS

8.11.1 Should the Contractor require additional or replacement personnel after the effective date of this Contract, the Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that the Contractor will interview qualified candidates. The County will refer GAIN/GROW participants by job category to the Contractor.

8.11.2 In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

8.12 CONTRACTOR RESPONSIBILITY AND DEBARMENT

8.12.1 Responsible Contractor

A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity, and experience to satisfactorily perform the contract. It is the County's policy to conduct business only with responsible Contractors.

8.12.2 Chapter 2.202 of the County Code

The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires

information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the Contractor from bidding or proposing on or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing Contracts the Contractor may have with the County.

8.12.3 Non-responsible Contractor

The County may debar a Contractor if the Board finds, in its discretion, that the Contractor has done any of the following: (1) violated a term of a contract with the County or a nonprofit corporation created by the County; (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the County, any other public entity or a nonprofit corporation created by the County or engaged in a pattern or practice which negatively reflects on same; (3) committed an act or offense which indicates a lack of business integrity or business honesty or (4) made or submitted a false claim against the County or any other public entity.

8.12.4 Contractor Hearing Board

1. If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
2. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length

of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board.

3. After consideration of any objections or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board. The Board shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.
4. If a Contractor has been debarred for a period longer than five years, that Contractor may after the debarment has been in effect for at least five years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed or (4) any other reason that is in the best interests of the County.
5. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five years; (2) the debarment has been in effect for at least five years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the

request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

6. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board. The Board shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.

8.12.5 Subcontractors of Contractor

These terms shall also apply to subcontractors of County Contractors.

8.13 CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW

The Contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its subcontractors, if any, to post this poster in a prominent position in the subcontractor's place of business. The County's Department of Children and Family Services will supply the Contractor with the poster to be used. Information on how to receive the poster can be found on the internet at www.babysafela.org.

8.14 CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

8.14.1 The Contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through Contract are in compliance with their court-ordered child, family, and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

8.14.2 As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting

the Contractor's duty under this Contract to comply with all applicable provisions of law, the Contractor warrants that it is now in compliance and shall during the term of this Contract maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

8.15 COUNTY'S QUALITY ASSURANCE PLAN

The County or its agent will evaluate the Contractor's performance under this Contract on not less than an annual basis. Such evaluation will include assessing the Contractor's compliance with all Contract terms and conditions and performance standards. Contractor deficiencies which the County determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board. The report will include improvement/corrective action measures taken by the County and the Contractor. If improvement does not occur consistent with the corrective action measures, the County may terminate this Contract or impose other penalties as specified in this Contract.

8.16 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS

8.16.1 The Contractor shall repair or cause to be repaired, at its own cost, any and all damage to the County facilities, buildings or grounds caused by the Contractor or employees or agents of the Contractor. Such repairs shall be made immediately after the Contractor has become aware of such damage, but in no event later than 30 days after the occurrence.

8.16.2 If the Contractor fails to make timely repairs, the County may make any necessary repairs. All costs incurred by the County, as determined by the County, for such repairs shall be repaid by the Contractor by cash payment upon demand.

8.17 EMPLOYMENT ELIGIBILITY VERIFICATION

8.17.1 The Contractor warrants that it fully complies with all

Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The Contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal, and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603) or as they currently exist and as they may be hereafter amended. The Contractor shall retain all such documentation for all covered employees for the period prescribed by law.

- 8.17.2 The Contractor shall indemnify, defend, and hold harmless, the County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the Contractor or the County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

8.18 FACSIMILE REPRESENTATIONS

The County and the Contractor hereby agree to regard facsimile and/or Portable Document Format (PDF) signatures as representations of original signatures of authorized officers of each party when appearing in appropriate places on the Amendments prepared pursuant to Sub-paragraph 8.1, and received via communications facilities (including emails), as legally sufficient evidence that such original signatures have been affixed to Amendments to this Contract, such that the parties need not follow up facsimile transmissions of such documents or PDF documents with subsequent transmission of "original" versions of such documents.

8.19 FAIR LABOR STANDARDS

The Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its agents, officers, and employees from any and all liability including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law including, but not limited to,

the Federal Fair Labor Standards Act for work performed by the Contractor's employees for which the County may be found jointly or solely liable.

8.20 FORCE MAJEURE

8.20.1 Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this Contract, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this sub-paragraph as "force majeure events").

8.20.2 Notwithstanding the foregoing, a default by a subcontractor of Contractor shall not constitute a force majeure event, unless such default arises out of causes beyond the control of both Contractor and such subcontractor, and without any fault or negligence of either of them. In such case, Contractor shall not be liable for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in this sub-paragraph, the term "subcontractor" and "subcontractors" mean subcontractors at any tier.

8.20.3 In the event Contractor's failure to perform arises out of a force majeure event, Contractor agrees to use commercially reasonable best efforts to obtain goods or services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

8.21 GOVERNING LAW, JURISDICTION, AND VENUE

This Contract shall be governed by and construed in accordance with the laws of the State of California. The Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Contract and further agrees

and consents that venue of any action brought hereunder shall be exclusively in the County.

8.22 INDEPENDENT CONTRACTOR STATUS

8.22.1 This Contract is by and between the County and the Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture or association, as between the County and the Contractor. The employees and agents of one party shall not be or be construed to be, the employees or agents of the other party for any purpose whatsoever.

8.22.2 The Contractor shall be solely liable and responsible for providing to or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. The County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State or local taxes or other compensation, benefits or taxes for any personnel provided by or on behalf of the Contractor.

8.22.3 The Contractor understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the Contractor and not employees of the County. The Contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the Contractor pursuant to this Contract.

8.22.4 The Contractor shall adhere to the provisions stated in Subparagraph 7.6, Confidentiality.

8.23 INDEMNIFICATION

The Contractor shall indemnify, defend, and hold harmless the County, its Special Districts, elected and appointed officers, employees, agents, and volunteers ("County Indemnitees") from and against any and all liability including, but not limited to, demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from and/or relating to this Contract, except for such loss or damage arising from the sole negligence or willful misconduct of the County Indemnitees.

8.24 GENERAL PROVISIONS FOR ALL INSURANCE COVERAGE

Without limiting Contractor's indemnification of the County, and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Sections 8.24 and 8.25 of this Contract. These minimum insurance coverage terms, types, and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Contract. The County in no way warrants that the Required Insurance is sufficient to protect the Contractor for liabilities which may arise from or relate to this Contract.

8.24.1 Evidence of Coverage and Notice to County

- Certificate(s) of insurance coverage (Certificate) satisfactory to the County and a copy of an Additional Insured endorsement confirming the County and its Agents (defined below) have been given Insured status under the Contractor's General Liability policy, shall be delivered to the County at the address shown below and provided 15 business days prior to commencing services under this Contract.
- Renewal Certificates shall be provided to the County not less than ten days prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Contractor and/or Subcontractor insurance policies at any time.
- Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The insured party named on the Certificate shall match the name of the Contractor identified as the contracting party in this Contract. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding \$50,000.00, and list any the County required endorsement forms.

- Neither the County's failure to obtain, nor the County's receipt of or failure to object to a non-complying insurance certificate or endorsement or any other insurance documentation or information provided by the Contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements shall be sent to:

County of Los Angeles
Treasurer and Tax Collector
500 West Temple Street, Room 464
Los Angeles, California 90012
Attention: Contracts Section

Contractor also shall promptly report to the County any injury or property damage accident or incident, including any injury to a Contractor employee occurring on the County property, and any loss, disappearance, destruction, misuse or theft of the County property, monies or securities entrusted to Contractor. Contractor also shall promptly notify the County of any third party claim or suit filed against Contractor or any of its subcontractors which arises from or relates to this Contract, and could result in the filing of a claim or lawsuit against Contractor and/or the County.

8.24.2 Additional Insured Status and Scope of Coverage

The County, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided Additional Insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of the County. The County and its Agents Additional Insured status shall apply with respect to liability and defense of suits arising out of the Contractor's acts or omissions, whether such liability is attributable to the Contractor or to the County. The full policy limits and scope of protection also shall apply to the County and its Agents as an Additional Insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic Additional

Insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

8.24.3 Cancellation of or Changes in Insurance

Contractor shall provide the County with or Contractor's insurance policies shall contain a provision that the County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to the County at least ten days in advance of cancellation for non-payment of premium and 30 days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Contract, in the sole discretion of the County, upon which the County may suspend or terminate this Contract.

8.24.4 Failure to Maintain Insurance

Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Contract, upon which the County immediately may withhold payments due to Contractor and/or suspend or terminate this Contract. The County, at its sole discretion, may obtain damages from Contractor resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Contractor, deduct the premium cost from sums due to Contractor or pursue Contractor reimbursement.

8.24.5 Insurer Financial Ratings

Coverage shall be placed with insurers acceptable to the County with A.M. Best ratings of not less than A:VII unless otherwise approved by the County.

8.24.6 Contractor's Insurance Shall Be Primary

Contractor's insurance policies, with respect to any claims related to this Contract, shall be primary with respect to all other sources of coverage available to Contractor. Any County maintained insurance or self-insurance coverage

shall be in excess of and not contribute to any Contractor coverage.

8.24.7 Waivers of Subrogation

To the fullest extent permitted by law, the Contractor hereby waives its rights and its insurer(s) rights of recovery against the County under all the Required Insurance for any loss arising from or relating to this Contract. The Contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

8.24.8 Subcontractor Insurance Coverage Requirements

Contractor shall include all subcontractors as insureds under Contractor's own policies or shall provide the County with each subcontractor's separate evidence of insurance coverage. Contractor shall be responsible for verifying each subcontractor complies with the Required Insurance provisions herein, and shall require that each subcontractor name the County and Contractor as Additional Insured on the subcontractor's General Liability policy. Contractor shall obtain the County's prior review and approval of any subcontractor request for modification of the Required Insurance.

8.24.9 Deductibles and Self-Insured Retentions (SIRs)

Contractor's policies shall not obligate the County to pay any portion of any Contractor deductible or SIR. The County retains the right to require Contractor to reduce or eliminate policy deductibles and SIRs as respects the County or to provide a bond guaranteeing Contractor's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

8.24.10 Claims Made Coverage

If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Contract. Contractor understands and agrees it shall maintain such coverage for a period of not

less than three years following Contract expiration, termination or cancellation.

8.24.11 Application of Excess Liability Coverage

Contractors may use a combination of primary and excess insurance policies which provide coverage as broad as the underlying primary policies to satisfy the Required Insurance provisions.

8.24.12 Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

8.24.13 Alternative Risk Financing Programs

The County reserves the right to review and then approve Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements, and captive insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

8.24.14 County Review and Approval of Insurance Requirements

The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon the County's determination of changes in risk exposures.

8.25 INSURANCE COVERAGE

8.25.1 Commercial General Liability insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming the County and its Agents as an Additional Insured, with limits of not less than:

General Aggregate:	\$2 million
Products/Completed Operations Aggregate:	\$1 million
Personal and Advertising Injury:	\$1 million
Each Occurrence:	\$1 million

8.25.2 Automobile Liability insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with

limits of not less than \$1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Contractor's use of autos pursuant to this Contract, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

8.25.3 Workers Compensation and Employers' Liability

insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. If Contractor will provide leased employees or is an employee leasing or temporary staffing firm or a Professional Employer Organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be modified to provide that the County will receive not less than 30 days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

▪ **Professional Liability/Errors and Omissions**

Insurance covering Contractor's liability arising from or related to this Contract, with limits of not less than \$1 million per claim and \$2 million aggregate. Further, Contractor understands and agrees that it shall maintain such coverage for a period of not less than two years following this Agreement's expiration, termination or cancellation.

▪ **Crime Coverage**

A Fidelity Bond or Crime Insurance policy with limits of not less than \$1 million per occurrence. Such coverage shall protect against all loss of money, securities or other valuable property entrusted by the County to Contractor, and apply to all of Contractor's directors, officers, agents, and employees who regularly handle or have responsibility for such money, securities or property. The County and its Agents shall be named as an Additional Insured and Loss Payee as

its interests may appear. This insurance shall include third party fidelity coverage, coverage for loss due to theft, mysterious disappearance, and computer fraud/theft and shall not contain a requirement for an arrest and/or conviction.

▪ **Surety Bond**

Pursuant to California Civil Code, Title 2.95 (commencing with Section 1812.600), "every auctioneer and auction company shall maintain a bond issued by a surety company admitted to do business in this state." A photocopy of the Surety Bond (Bond) and deposit receipt of the Bond filed with the Secretary of State in the sum of not less than \$20,000.

8.26 LIQUIDATED DAMAGES

8.26.1 If, in the judgment of the Treasurer and Tax Collector or his/her designee, the Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, the Treasurer and Tax Collector or his/her designee, at his/her option, in addition to or in lieu of, other remedies provided herein, may instruct escrow to withhold the entire monthly payment or deduct pro rata from the Contractor's invoice for work not performed. Or in lieu of a deduction, the County may invoice Contractor for said damages. A description of the work not performed and the amount to be withheld or deducted from payments to the Contractor from the County will be forwarded to the Contractor by the Treasurer and Tax Collector or his/her designee in a written notice describing the reasons for said action.

8.26.2 If the Treasurer and Tax Collector or his/her designee determines that there are deficiencies in the performance of this Contract that the Treasurer and Tax Collector or his/her designee deems are correctable by the Contractor over a certain time span, the Treasurer and Tax Collector or his/her designee will provide a written notice to the Contractor to correct the deficiency within specified time frames. Should the Contractor fail to correct deficiencies within said time frame, the Treasurer and Tax Collector or his/her designee may:

1. Deduct from the Contractor's payment, pro rata, those applicable portions of the Monthly Contract Sum; and/or
2. Deduct liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Contractor to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is \$100 per day per infraction or as specified in the Performance Requirements Summary (PRS) Chart, as defined in Exhibit C, Technical Exhibit 2, hereunder, and that the Contractor shall be liable to the County for liquidated damages in said amount. Said amount shall be deducted from the County's payment to the Contractor; and/or
3. Upon giving five days notice to the Contractor for failure to correct the deficiencies, the County may correct any and all deficiencies and the total costs incurred by the County for completion of the work by an alternate source, whether it be the County forces or separate private contractor, will be deducted and forfeited from the payment to the Contractor from the County, as determined by the County.

8.26.3 The action noted in Sub-paragraph 8.26.2 shall not be construed as a penalty, but as adjustment of payment to the Contractor to recover the County cost due to the failure of the Contractor to complete or comply with the provisions of this Contract.

8.26.4 This sub-paragraph shall not, in any manner, restrict or limit the County's right to damages for any breach of this Contract provided by law or as specified in the PRS or Sub-paragraph 8.26.2, and shall not, in any manner, restrict or limit the County's right to terminate this Contract as agreed to herein.

8.27 MOST FAVORED PUBLIC ENTITY

If the Contractor's prices decline or should the Contractor at any time during the term of this Contract provide the same goods or services under similar quantity and delivery conditions to the State of

California or any county, municipality or district of the State at prices below those set forth in this Contract, then such lower prices shall be immediately extended to the County.

8.28 NON-DISCRIMINATION AND AFFIRMATIVE ACTION

- 8.28.1 The Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status or political affiliation in compliance with all applicable Federal and State anti-discrimination laws and regulations.
- 8.28.2 The Contractor shall certify to, and comply with, the provisions of Exhibit D, Contractor's EEO Certification.
- 8.28.3 The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status or political affiliation in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to; employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 8.28.4 The Contractor certifies and agrees that it will deal with its subcontractors, bidders or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status or political affiliation.
- 8.28.5 The Contractor certifies and agrees that it and its affiliates, subsidiaries or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status or political affiliation, be excluded from participation in, be denied the benefits of or be otherwise subjected to discrimination under this

Contract or under any project, program or activity supported by this Contract.

8.28.6 The Contractor shall allow the County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this Sub-paragraph 8.28 when so requested by the County.

8.28.7 If the County finds that any provisions of this Sub-paragraph 8.28 have been violated, such violation shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract. While the County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment and Housing Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the County that the Contractor has violated the anti-discrimination provisions of this Contract.

8.28.8 The parties agree that in the event the Contractor violates any of the anti-discrimination provisions of this Contract, the County shall, at its sole option, be entitled to the sum of \$500 for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.

8.29 NON EXCLUSIVITY

Nothing herein is intended nor shall be construed as creating any exclusive arrangement with the Contractor. This Contract shall not restrict (Department) from acquiring similar, equal or like goods and/or services from other entities or sources.

8.30 NOTICE OF DELAYS

Except as otherwise provided under this Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, within one business day, give notice thereof, including all relevant information with respect thereto, to the other party.

8.31 NOTICE OF DISPUTES

The Contractor shall bring to the attention of the County's Contract Manager and/or County's Contract Administrator any dispute between the County and the Contractor regarding the performance of services as stated in this Contract. If the County's Contract Manager or the County's Contract Administrator is not able to resolve the dispute, the Treasurer and Tax Collector or his/her designee shall resolve it.

8.32 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

The Contractor shall notify its employees and shall require each subcontractor to notify its employees that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice Number 1015.

8.33 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW

The Contractor shall notify and provide to its employees, and shall require each Subcontractor to notify and provide to its employees a fact sheet regarding the Safely Surrendered Baby Law, its implementation in the County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit I, Safely Surrendered Baby Law, of this Contract and is also available on the internet at www.babysafela.org for printing purposes.

8.34 NOTICES

All notices or demands required or permitted to be given or made under this Contract shall be in writing and shall be hand-delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in Exhibit E, County's Administration, and Exhibit F, Contractor's Administration. Addresses may be changed by either party giving ten days prior written notice thereof to the other party. The Treasurer and Tax Collector or his/her designee shall have the authority to issue all notices or demands required or permitted by the County under this Contract.

8.35 PROHIBITION AGAINST INDUCEMENT OR PERSUASION

Notwithstanding the above, the Contractor and the County agree that during the term of this Contract and for a period of one year, thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

8.36 CALIFORNIA PUBLIC RECORDS ACT

8.36.1 Any documents submitted by the Contractor; all information obtained in connection with the County's right to audit and inspect the Contractor's documents, books, and accounting records pursuant to Sub-paragraph 8.38, Record Retention and Inspection/Audit Settlement, of this Contract; as well as those documents which were required to be submitted in response to the Request for Proposals used in the solicitation process for this Contract become the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. California Public Records Act (CPRA) and which are marked "trade secret," "confidential" or "proprietary." The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law or by an order issued by a court of competent jurisdiction.

8.36.2 In the event, the County is required to defend an action on a CPRA request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "trade secret," "confidential" or "proprietary," the Contractor agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney's fees, in action or liability arising under the CPRA.

8.37 PUBLICITY

8.37.1 The Contractor shall not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the Contractor's need to identify its services and related clients to sustain itself, the County shall not inhibit the Contractor from publishing its role under this

Contract within the following conditions:

- The Contractor shall develop all publicity material in a professional manner; and
- During the term of this Contract, the Contractor shall not and shall not authorize another to publish or disseminate any commercial advertisements, press releases, feature articles or other materials using the name of the County without the prior written consent of the County's Contract Administrator. The County shall not unreasonably withhold written consent.

8.37.2 The Contractor may, without the prior written consent of the County, indicate in its proposals and sales materials that it has been awarded this Contract with the County provided that the requirements of this Sub-paragraph 8.37 shall apply.

8.38 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT

The Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles. The Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Contract. The Contractor agrees that the County or its authorized representatives shall have access to and the right to examine, audit, excerpt, copy or transcribe any pertinent transaction, activity or record relating to this Contract. All such material including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and employment records, and proprietary data and information shall be kept and maintained by the Contractor and shall be made available to the County during the term of this Contract and for a period of five years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the Contractor at a location in the County provided that if any such material is located outside the County, then, at the County's option, the Contractor shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy or transcribe such material at such other location.

- 8.38.1 In the event that an audit of the Contractor is conducted specifically regarding this Contract by any Federal or State auditor or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor shall file a copy of such audit report with the County's Auditor-Controller (A-C) within 30 days of the Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Contract. Subject to applicable law, the County shall make a reasonable effort to maintain the confidentiality of such audit report(s).
- 8.38.2 Failure on the part of the Contractor to comply with any of the provisions of this Sub-paragraph 8.38 shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.
- 8.38.3 If, at any time during the term of this Contract or within five years after the expiration or termination of this Contract, representatives of the County conduct an audit of the Contractor regarding the work performed under this Contract, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference shall be either a) repaid by the Contractor to the County by cash payment upon demand; or b) at the sole option of the County's A-C, deducted from any amounts due to the Contractor from the County, whether under this Contract or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Contractor, then the difference shall be paid to the Contractor by the County by cash payment, provided that in no event shall the County's maximum obligation for this Contract exceed the funds appropriated by the County for the purpose of this Contract.
- 8.38.4 **Financial Statements:** Beginning one year after the Effective Date and every year thereafter until the expiration of this Contract, Contractor shall submit to the County a complete set of financial statements, audited if available, for the 12-month period. Such statements shall, at a minimum, include a Balance Sheet (Statement of Financial Position) and Income Statement (Statement of Operations). In addition, Contractor shall submit a statement regarding any pending litigation since Contractor

last reported same to the County. The County reserves the right to request these audited financial statements on a more frequent basis and will so notify Contractor in writing.

8.39 RECYCLED BOND PAPER

Consistent with the Boards' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on this Contract.

8.40 SUBCONTRACTING

8.40.1 The requirements of this Contract may not be subcontracted by the Contractor **without the advance approval of the County**. Any attempt by the Contractor to subcontract without the prior consent of the County may be deemed a material breach of this Contract.

8.40.2 If the Contractor desires to subcontract, the Contractor shall provide the following information promptly at the County's request:

- A description of the work to be performed by the subcontractor;
- A draft copy of the proposed subcontract; and
- Other pertinent information and/or certifications requested by the County.

8.40.3 The Contractor shall indemnify and hold the County harmless with respect to the activities of each and every subcontractor in the same manner and to the same degree as if such subcontractor(s) were the Contractor employees.

8.40.4 The Contractor shall remain fully responsible for all performances required of it under this Contract, including those that the Contractor has determined to subcontract, notwithstanding the County's approval of the Contractor's proposed subcontract.

8.40.5 The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing

services under this Contract. The Contractor is responsible to notify its subcontractors of this County right.

- 8.40.6 The County's Contract Administrator is authorized to act for and on behalf of the County with respect to approval of any subcontract and subcontractor employees. After approval of the subcontract by the County, Contractor shall forward a fully executed subcontract to the County for their files.
- 8.40.7 The Contractor shall be solely liable and responsible for all payments or other compensation to all subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.
- 8.40.8 The Contractor shall obtain certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by the County from each approved subcontractor. The Contractor shall ensure delivery of all such documents to:

County of Los Angeles
Treasurer and Tax Collector
500 West Temple Street, Room 464
Los Angeles, California 90012
Attention: Contracts Section

Before any subcontractor employee may perform any work hereunder.

8.41 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

Failure of the Contractor to maintain compliance with the requirements set forth in Sub-paragraph 8.14, Contractor's Warranty of Adherence to County's Child Support Compliance Program, shall constitute default under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure of the Contractor to cure such default within 90 calendar days of written notice shall be grounds upon which the County may terminate this Contract pursuant to Sub-paragraph 8.43, Termination for Default, and pursue debarment of the Contractor, pursuant to the County Code Chapter 2.202.

8.42 TERMINATION FOR CONVENIENCE

8.42.1 This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to the Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten days after the notice is sent.

8.42.2 After receipt of a notice of termination and except as otherwise directed by the County, the Contractor shall:

- Stop work under this Contract on the date and to the extent specified in such notice, and
- Complete performance of such part of the work as shall not have been terminated by such notice.

8.42.3 All material including books, records, documents or other evidence bearing on the costs and expenses of the Contractor under this Contract shall be maintained by the Contractor in accordance with Sub-paragraph 8.38, Record Retention and Inspection/Audit Settlement.

8.43 TERMINATION FOR DEFAULT

8.43.1 The County may, by written notice to the Contractor, terminate the whole or any part of this Contract, if in the judgment of the County's Contract Administrator:

- Contractor has materially breached this Contract; or
- Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service or other work required either under this Contract; or
- Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five working days (or such longer period as the County may authorize in writing) after

receipt of written notice from the County specifying such failure.

- 8.43.2 In the event that the County terminates this Contract in whole or in part as provided in sub-paragraph 8.43.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The Contractor shall be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. The Contractor shall continue the performance of this Contract to the extent not terminated under the provisions of this sub-paragraph.
- 8.43.3 Except with respect to defaults of any subcontractor, the Contractor shall not be liable for any such excess costs of the type identified in Sub-paragraph 8.43.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not limited to, acts of God or of the public enemy; acts of the County in either its sovereign or contractual capacity; acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both the Contractor and subcontractor and without the fault or negligence of either of them, the Contractor shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required performance schedule. As used in this sub-paragraph, the term "subcontractor(s)" means subcontractor(s) at any tier.
- 8.43.4 If, after the County has given notice of termination under the provisions of this Sub-paragraph 8.43, it is determined by the County that the Contractor was not in default under the provisions of this Sub-paragraph 8.43 or that the default was excusable under the provisions of sub-paragraph 8.43.3, the

rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Sub-paragraph 8.42, Termination for Convenience.

- 8.43.5 The rights and remedies of the County provided in this Sub-paragraph 8.43 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.44 TERMINATION FOR IMPROPER CONSIDERATION

- 8.44.1 The County may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Contract if it is found that consideration, in any form, was offered or given by the Contractor, either directly or through an intermediary to any County officer, employee or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment or extension of this Contract or the making of any determinations with respect to the Contractor's performance pursuant to this Contract. In the event of such termination, the County shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.
- 8.44.2 The Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County A-C's Employee Fraud Hotline at (800) 544-6861.
- 8.44.3 Among other items, such improper consideration may take the form of cash, discounts, and/or service for the provision of travel or entertainment or tangible gifts.

8.45 TERMINATION FOR INSOLVENCY

- 8.45.1 The County may terminate this Contract forthwith in the event of the occurrence of any of the following:
- Insolvency of the Contractor. The Contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least 60 days in the ordinary course of business or cannot pay its debts as they become due, whether or not

a petition has been filed under the Federal Bankruptcy Code and whether or not the Contractor is insolvent within the meaning of the Federal Bankruptcy Code;

- The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code;
- The appointment of a Receiver or Trustee for the Contractor; or
- The execution by the Contractor of a general assignment for the benefit of creditors.

8.45.2 The rights and remedies of the County provided in this Subparagraph 8.45 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.46 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE

The Contractor and each County Lobbyist or County Lobbying firm as defined in the County Code Section 2.160.010 retained by the Contractor, shall fully comply with the County's Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of the Contractor or any County Lobbyist or County Lobbying firm retained by the Contractor to fully comply with the County's Lobbyist Ordinance shall constitute a material breach of this Contract, upon which the County may in its sole discretion, immediately terminate or suspend this Contract.

8.47 TERMINATION FOR NON-APPROPRIATION OF FUNDS

Notwithstanding any other provision of this Contract, the County shall not be obligated for the Contractor's performance hereunder or by any provision of this Contract during any of the County's future fiscal years unless and until the County's Board appropriates funds for this Contract in the County's budget for each such future fiscal year. In the event that funds are not appropriated for this Contract, then this Contract shall terminate as of June 30 of the last fiscal year for which funds were appropriated. The County shall notify the Contractor in writing of any such non-allocation of funds at the earliest possible date.

8.48 VALIDITY

If any provision of this Contract or the application thereof to any person or circumstance is held invalid, the remainder of this Contract and the application of such provision to other persons or circumstances shall not be affected thereby.

8.49 WAIVER

No waiver by the County of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this Subparagraph 8.49 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.50 WARRANTY AGAINST CONTINGENT FEES

8.50.1 The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon any Contract or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

8.50.2 For breach of this warranty, the County shall have the right to terminate this Contract and, at its sole discretion, deduct from the Contract price or consideration or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.

8.51 WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM

Contractor acknowledges that the County has established a goal of ensuring that all individuals and businesses that benefit financially from through Contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

Unless Contractor qualifies for an exemption or exclusion, Contractor warrants and certifies that to the best of its knowledge is

now in compliance and during the term of this Contract will maintain compliance with the County Code Chapter 2.206.

8.52 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM

Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 8.51, Warranty of Compliance with the County's Defaulted Property Tax Reduction Program, shall constitute default under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure of Contractor to cure such default within ten days of notice shall be grounds upon which the County may terminate this Contract and/or pursue debarment of Contractor, pursuant to the County Code Chapter 2.206.

8.53 USE OF COUNTY SEAL AND/OR THE TTC'S LOGO

The County claims right, title, and interest in and to certain intellectual property including, but not limited to, the current and former County seals and the TTC logos (hereafter collectively "County Seals"). Except as expressly authorized herein, the Contractor shall not reproduce, copy, distribute, republish, download, display, post, transmit or make any other use of any kind whatsoever of the County Seals in any format or by any means whatsoever. At no time shall the Contractor in any manner (1) modify the County Seals or (2) create derivative works of the County Seals. The Contractor shall not in any manner sublicense, transfer or assign its rights or delegate its duties, with respect to use of the County Seals, whether in whole or in part, without the prior written consent of the County, in its discretion, and any attempted sublicense, transfer, assignment or delegation without such consent shall be null and void.

9.0 UNIQUE TERMS AND CONDITIONS

9.1 LOCAL SMALL BUSINESS ENTERPRISE (SBE) PREFERENCE PROGRAM

9.1.1 This Contract is subject to the provisions of the County's ordinance entitled Local SBE Preference Program, as codified in Chapter 2.204 of the County Code.

9.1.2 The Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Local SBE.

9.1.3 The Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Local SBE.

9.1.4 If the Contractor has obtained certification as a Local SBE by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, shall:

1. Pay to the County any difference between the Contract amount and what the County's costs would have been if the Contract had been properly awarded;
2. In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than ten percent of the amount of the contract; and
3. Be subject to the provisions of Chapter 2.202 of the County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

The above penalties shall also apply to any business that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the state and the Internal Services Department of this information prior to responding to a solicitation or accepting a contract award.

9.2 CONTRACTOR'S CHARITABLE ACTIVITIES COMPLIANCE

The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262,

Chapter 919) increased Charitable Purposes Act requirements. By requiring Contractors to complete the Charitable Contributions Certification, Exhibit K, the County seeks to ensure that all County Contractors which receive or raise charitable contributions comply with California law in order to protect the County and its taxpayers. A Contractor which receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings or both (County Code Chapter 2.202).

9.3 TRANSITIONAL JOB OPPORTUNITIES PREFERENCE PROGRAM

9.3.1 This Contract is subject to the provisions of the County's ordinance entitles Transitional Job Opportunities Preference Program, as codified in Chapter 2.205 of the County Code.

9.3.2 Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Transitional Job Opportunity vendor.

9.3.3 Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Transitional Job Opportunity vendor.

9.3.4 If Contractor has obtained the County certification as a Transitional Job Opportunity vendor by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled shall:

1. Pay to the County any difference between the Contract amount and what the County's costs would have been if the contract had been properly awarded;

- The above penalties shall also apply to any entity that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the certifying department of this information prior to responding to a solicitation or accepting a contract award.

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IN WITNESS WHEREOF, Contractor has executed this Contract or caused it to be duly executed and the County, by order of its Board has caused this Contract to be executed on its behalf by the Chairman of said Board and attested by the Executive Officer-Clerk of the Board thereof, the day and year first above-written.

I hereby certify that pursuant to
Section 25103 of the Government Code,
delivery of this document has been made

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

By [Signature]
Deputy

JAN 21 2014



ATTEST:

SACHI HAMAI
Executive Officer-Clerk
of the Board of Supervisors

By [Signature]

JAN 21 2014

APPROVED AS TO FORM:

John Krattli
County Counsel

By [Signature]
Deputy County Counsel

CONTRACTOR: Kennedy Wilson, Inc

By [Signature]
Name
president
Title

COUNTY OF LOS ANGELES

By [Signature]
Chairman, Board of Supervisors

ADOPTED
BOARD OF SUPERVISORS

10 JAN 21 2014

[Signature]
SACHI A. HAMAI
EXECUTIVE OFFICER

**CONTRACT FOR
REAL PROPERTY AUCTIONEERING SERVICES**

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EXHIBIT A1 STATEMENT OF WORK ATTACHMENTS

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(Fiscal Years July 2009 through June 2012)

Attachment 1 – Notice of Sale of Real Property at Public Auction

Attachment 2 – Contract to Secure Purchasers of Real Property at Public Auction

Attachment 3 – Terms of Sale

Attachment 4 – Offer to Purchase Real Property

Attachment 5 – Bid in Open Court in Sale of Real Property

1.0 SCOPE OF WORK

1.1 INTRODUCTION

In the County of Los Angeles (County) the Treasurer and Tax Collector (TTC) also serves as the Public Administrator (PA) and, under Contract, also provides administrative services to the County Public Guardian (PG) as representative of certain conservatorship estates. The California Probate Code and an interdepartmental agreement with the PG authorize the PA to sell real property of decedent or conservatorship estates, according to requirements set forth in California Probate Code Sections 10300-10316 and 10350-10351, when necessary for the best interest of the estates either by public or private sale.

The PA, as set forth in California Probate Code Section 7600, *et seq.*, has the fiduciary duty to take prompt possession or control of an estate that is subject to loss, injury, waste or misappropriation where a personal representative has not been appointed, and to protect the interests of heirs and creditors in the estate.

The PA is responsible for petitioning the Superior Court for Letters of Administration giving the PA the authority to act as personal estate representative for estates that meet the summary provisions of the State Probate Code whose value is greater than \$50,000, but does not exceed \$150,000, and estates that meet the general provisions of the California Probate Code whose value exceeds \$150,000. Estates where the value does not exceed \$50,000 may be summarily disposed of pursuant to the statutory authority of the PA (Prob. C. § 7660(a) (2)).

The PA also provides services to the public by taking immediate charge of decedent estates that are referred to the Office of the PA. The PA is divided into three sections: Estate Administration, Property Management, and Accounting Services Sections. The Property Management and Accounting Services Sections also provide services to the PG through an interdepartmental agreement, including the custody, maintenance, distribution, and sale of both the real and personal property of the PG's conservatees and wards.

The PG, currently a division of the County's Department of Mental Health (DMH), was created by the State legislature in 1945 (Government Code §24000(w)) and serves the citizens of the County pursuant to County Ordinance. The PG functions according to the requirements set forth in the State Welfare and Institutions Code (Sections 5000-5358.1) and the State Probate Code (Sections 1400-3200). The PG's purpose is to protect and care for the person and to administer the estate of individuals who cannot provide for their basic needs for food, clothing, and shelter or who are unable to resist fraud or undue influence. The PG must meet the

same fiduciary duties and standards as the PA.

The Director of DMH serves as the PG. PG serves the County primarily through two conservatorship programs: Mental Health Conservatorship, including Lanterman Petris Short (LPS) proceedings for psychiatric treatment, and Probate Conservatorship for person and asset protection. The primary services of the two programs include investigation of the need for conservatorship and acting as the Public Conservator on behalf of the County for those individuals who are found by the court to be unable to provide properly for their food, clothing, shelter or health needs or who cannot manage their finances or resist undue influence or fraud.

The PG contracts with the TTC's PA Operations for banking, property management, accounting and miscellaneous support services.

Real property of the decedent and conservatorship estates is usually sold by public auction at the property site. Private sale through a designated broker, sealed bid or probate sale process for the disposal of real property may be used on occasion. The types of properties that are sold are single-family residences, businesses, multi-family or business units, and mobile homes. There are usually 15 to 25 properties, located throughout the County, which are usually auctioned on one weekend every two months at the discretion of the TTC. In the event there are additional properties there may be an increase in auctions, on Saturday and/or Sunday through a contract with a private auction firm. The PA also performs essential repairs and rents selected real properties on a month-to-month basis, collects the rents for the benefit of the conservatees and decedent estates, and pays related expenses (e.g., repair costs, mortgage payments, insurance premiums) to the extent the conservatee and decedent estates have funds prior to sale or distribution of the real property.

2.0 SPECIFIC WORK REQUIREMENTS

2.1 SERVICE REQUIREMENTS

The standard procedures governing real property auctioneering are discussed in Paragraphs 2.2-2.8 of this Section 2.1 (Specific Work Requirements) and include property referrals, office coverage, sales preparation, public auction, court confirmation, and escrows. The properties to be auctioned may include single-family homes, multi-family housing, condominiums, townhouses, commercial properties, unimproved land, and mobile homes. All sales, with the exception of mobile homes, are subject to court confirmation of the sale prior to opening escrow. All auctioneering services shall be completed in accordance with the following

regulations:

- a. California Probate Code Sections 10000-10207 and 10300-10363, which govern the sale of real property.
- b. California Welfare and Institutions Code Sections 10850 and 15633, which govern the confidential nature, availability, and disclosure of records.
- c. California Civil Code Title 2.95 of Part 4 of Division 3, which governs auctioneers.

The County may choose to use additional Contractors and/or exclusive agents at any time for certain types of real properties which the County determines to require special handling or expertise.

2.2 OFFICE COVERAGE

- 2.2.1 The Contractor shall have a direct business telephone number with staff available to receive telephone calls from the public requesting auction information. The Contractor telephone personnel will be available Monday through Friday during normal business hours of 8:00 a.m. to 6:00 p.m., (Pacific Time) and shall be trained to handle all inquiries and have all the necessary information regarding the auction
- 2.2.2 All incoming inquiries will be directed to the Contractor's Contract Manager/Alternate Contractor's Contract Manager and will receive follow-up contacts within a reasonable time.

2.3 PROPERTY REFERRALS

- 2.3.1 The County shall refer a list of the properties proposed for sale to the Contractor for auction via fax or other means/media as appropriate.
- 2.3.2 The Contractor shall create an individual file for each property which by the date of sale shall include at minimum the following items:
 - a. Copies of all required published legal notices (Attachment 1)
 - b. The Contract to Secure Purchasers of Real Property (Attachment 2)
 - c. Copies of notices sent to anyone who may have requested information regarding the specific property

- d. Copy of the Terms of Sale (Attachment 3)
- e. The Offer To Purchase Real Property (Attachment 4)
- f. The established minimum bid, if any (minimum bid is subject to review and approval by the County for each property referred by the County)
- g. Bid in Open Court in Sale of Real Property (Attachment 5)

2.3.3 The Contractor shall be available to coordinate with the County Contract Administrator to schedule sales, coordinate staffing, and share and maintain sales files.

2.4 SALES PREPARATION

2.4.1 The Contractor shall be responsible for posting, in plain view, a "For Sale" sign on the property within five business days of receiving the list of properties from the County, as described in 2.3.1 above. Such sign shall be erected at the Contractor's expense and shall be in compliance with any local laws or ordinances related to "For Sale" signs. At a minimum, the sign should indicate date of sale, auction information, the Contractor's telephone number, and an indication the estate is being auctioned by order of the County PA. During the period prior to the auction, the Contractor will ensure that such sign remains on the property and will promptly replace any missing or defaced signs.

2.4.2 The Contractor shall, within ten business days of property referral, develop a property marketing plan for each individual property and provide it to the County's Contract Administrator for review and approval. Such plan shall contain, at a minimum, the following:

- a. Proposed scope (including size, frequency, publication location/media, etc.) of advertising through newspapers, direct mail, and other print media. For example:

- 1. **NEWSPAPER ADS:** At a minimum, advertising for each property shall include advertisements in the Legal Section of the Sunday edition of the Los Angeles Times (LA Times) and the Wednesday edition of the Daily Commerce; additional advertisements will be placed in appropriate local newspapers as often as necessary. Such advertising must begin no later than 15 calendar days prior to the date of the planned/scheduled auction. The Contractor will include additional advertisements in the LA Times Classified Section

referencing the Legal Section ad as needed. Each property shall be advertised a minimum of three times and the Contractor shall provide to the County copies of publisher's proofs of advertisements placed in media.

2. MULTIPLE LISTING SERVICE (MLS): When appropriate, the Contractor will advertise in the MLS; such placement shall be determined on a case by case basis and at the discretion of the Contractor.

b. Proposed scope of public showings for inspection by prospective bidders: at a minimum, such showings will be held on a weekend one week prior to the auction, for at least two hours, and also on auction day, for one hour prior to the start of the auction. Additional showings and/or extended inspection periods will be scheduled if the Contractor or the County determines the property warrants such activity. Unimproved land is not subject to this pre-auction showing.

2.4.3 After the marketing plan is approved, the Contractor shall advertise each property on the various websites utilized by the Contractor.

2.4.4 At a minimum, the Contractor shall prepare and mail or email a written public auction notice to all parties on the Contractor's mailing lists, including local owners and brokers. The Contractor will send a minimum of 2,000 direct mail and/or electronic brochures to prospective buyers from the Contractor's proprietary mailing list.

2.4.5 All the advertisements shall include the estate name, auction date and time, all property inspection dates and times, a brief description of the property, and clearly indicate that there is to be a 50/50 commission split for brokers' participation.

2.4.6 The Contractor shall also be responsible for publishing and paying for the legal notices required by Probate Code Section 10300. Such publication shall be for at least ten calendar days: three publications in a newspaper published once a week or more often, with at least five calendar days intervening between the first and last publication dates. The period of notice commences upon the first day of publication and terminates either at the end of the day of the third publication or at the end of the tenth day, whichever period is longer.

2.4.7 All costs associated with sales preparation shall be paid by the Contractor from the Contractor commission on sales and are a cost of doing business not subject to reimbursement by the County.

2.5 PUBLIC AUCTION

- 2.5.1 The Contractor shall conduct an on-site public auction sale on each of the properties located within the County and may establish an on-site public auction on any properties located in adjacent counties. Unimproved land may be auctioned from a nearby property site which is also scheduled to be auctioned, from the County Courthouse, or from the PA's warehouse.
- 2.5.2 The Contractor shall be responsible for providing adequate staff to secure the property, manage crowd control, and complete the public auction. The Contractor shall also provide a licensed real estate broker to be present and conduct the public auction at each property site.
- 2.5.3 The Contractor's staff shall make improved real property available for inspection to prospective bidders for at least one hour prior to the start of the public auction.
- 2.5.4 The auctions shall be held a minimum of six times per year at the discretion of the PA. The schedule shall be provided to the Contractor six weeks in advance of each auction, or sooner as needed. Auctions shall be scheduled or held on Saturdays and/or Sundays for PA properties, and semi-annually on Mondays and/or Tuesdays for Special Circumstance Tax Defaulted properties, unless otherwise agreed to in writing by the County and the Contractor. The County staff shall attend each auction.
- 2.5.5 The Contractor shall register all prospective bidders prior to the public auction. To qualify for bidding and registration, each prospective bidder must show proof of holding a minimum of \$5,000 in the form of cash or a cashier's check. This amount, however, is subject to change by the County. **In addition, the Contractor shall verify all prospective bidders are not employees of the County's departments of County Counsel, the DMH or the TTC, who are forbidden by law and/or policy from bidding on or acquiring the property of a decedent or conservatee.**
- 2.5.6 Prior to accepting Bids, the previously published legal notice (Attachment 1) and Contractor's terms of sale shall be read verbally to the prospective bidders by the Contractor's personnel. The Contractor's terms of sale must include, at a minimum, the disclosures and requirements contained in Terms of Sale (Attachment 3). All bidder questions shall be answered prior to accepting bids and the entire sale process shall be audio taped or

recorded by such means/media acceptable to the TTC. Auctioneers may be held liable for any misrepresentations. Upon request, recordings shall be submitted to the County within five business days after the auction, unless requested sooner.

- 2.5.7 The Contractor shall cooperate with all real estate agents representing prospective bidders at the auction. The appropriate party(s) shall be reimbursed for repairs and/or services in preparation of a Real Property Auction (i.e., Contractor, Broker, etc.).
- 2.5.8 The Contractor shall ensure that the "Offer to Purchase" Real Property (Attachment 4) form is completed and signed by the successful bidder at the auction site. The "Offer to Purchase" shall be submitted to the County within one business day of the auction.
- 2.5.9 In addition to the "Offer to Purchase," the Contractor shall collect a deposit of, at minimum, ten percent (10%) of the selling price of the real property from the buyer at the auction. Payment of the deposit shall consist of \$5,000 in the form of a cashier's check or cash, with the balance paid in cash, cashier's check or personal check. The deposit shall be held in the Contractor's Trust Account until the court confirmation hearing is concluded. If the buyer is not overbid in court and the sale is confirmed, Contractor shall pay over to the County the amount of the bid deposit, to be held in trust by the County outside of escrow for the benefit of the decedent estate or conservatee. In the event the sale of the real property is for less than \$5,000, e.g., the real property is sold for \$4,000; the cashier's check in the amount of \$5,000 will be exchanged with bidder for a check for the actual purchase price (\$4,000). Any interest earned on said deposit shall inure to the benefit of the buyer. If the buyer is overbid by another buyer at the confirmation hearing, the Contractor shall (1) return the unsuccessful buyer's deposit, and (2) collect the new bid deposit from the successful buyer and pay it over to the County on the date of the Court Confirmation of Sale.

The trust accounts where Contractor holds these deposits shall be at financial institutions acceptable to the County and shall be federally insured through Federal Deposit Insurance Corporation or shall meet the rating agencies standards as follows: an A2 or better rating from Moody's and/or an A or better from Standard and Poor's. Information on ratings can be obtained from the Contractor's financial institution.

- 2.5.10 Mobile Homes Distinction: Once the sale of a mobile home has been consummated, the Contractor shall deduct its sales commission and other approved expenses approved by the County to be paid from

the gross receipts. Payment of the net proceeds shall be made to the County within two business days. The Contractor shall also show the County proof of the payment of sales tax to the California State Franchise Tax Board.

2.6 TAX DEFAULTED PROPERTY SALES

- 2.6.1 Upon 30 calendar days advance written request from the County Secured Property Division Liaison, Contractor shall provide tax defaulted property auction calling services. Tax defaulted property auctions shall be held semi-annually on Mondays and Tuesdays, unless otherwise agreed upon in writing by the County and the Contractor.
- 2.6.2 Contractor shall be responsible for providing auction staff for the provision of calling services only and shall not be responsible for any sales preparation, advertising, or marketing activities relating to the sale of tax defaulted properties.
- 2.6.3 Contractor shall be available from 8:00 a.m. until 5:00 p.m. (Pacific Time) on tax defaulted property auction days, unless otherwise agreed upon between the County and the Contractor.
- 2.6.4 Once the tax defaulted auction sale has been concluded, the Contractor shall invoice County according to payment provisions outlined in the Contract, Paragraph 5, Commission Rates, and Exhibit B, Commission Rates, Item 2, Tax Defaulted Property Fixed Daily Rates Sales Schedule, of this Request for Proposal. The invoice shall include at minimum the date, time, location, and name of Contractor staff present at the auction. Upon approval of invoice by the County Contract Administrator, the County will reimburse Contractor within 30 calendar days of receipt of an invoice according to the fixed daily rate indicated in Exhibit B, Commission Rates, Item 2, Tax Defaulted Property Fixed Daily Rate Sales Schedule.

2.7 COURT CONFIRMATION HEARINGS (PA)

- 2.7.1 The Contractor's representative shall attend the court confirmation hearing at its own expense, and shall be prepared to testify regarding valuation assessments, marketing efforts, and related sales activities, if required. County Counsel represents the County at all court confirmations and the Contractor shall be responsible for providing real property sales expert witness testimony as requested by the Courts or County Counsel.

- 2.7.2 Bidders who register on the day of the sale of the property shall be informed of the court confirmation date by the Contractor in writing 14 business days prior to the court date, to encourage their attendance and overbidding of the successful auction buyer's bid at the confirmation hearing held by the Probate Court.
- 2.7.3 The Contractor shall also promote overbidding in court by advertising the confirmation hearing on the Contractor's website, through MLS, various websites regularly utilized by the Contractor, direct mail to local owners and brokers, and the "Probate Bulletin" section in the Daily Commerce.
- 2.7.4 The Contractor's representative shall not represent overbidders at the court confirmation hearing, nor shall the Contractor be entitled to any additional commissions.
- 2.7.5 In the event the original buyer is overbid in court, the Contractor shall complete the "Bid in Open Court" form (Attachment 5) for the successful buyer who wins the overbidding, and collect the ten percent (10%) deposit from the new buyer. Contractor shall then submit the successful overbidder/buyer's deposit to the County at the conclusion of the confirmation hearing, and return the original bid deposit to the original auction buyer at that time.
- 2.7.6 The decedent estate or conservatee shall not be liable for the Contractor's commission on sales unless the court confirms such sale and the sale is consummated through close of escrow. Commission shall be paid in accordance with the Probate Code.

2.8 ESCROWS

- 2.8.1 The Contractor shall be responsible for coordinating and opening the escrow on the property and to ensure problems are examined and resolved within the escrow period.
- 2.8.2 The Contractor shall, as needed, assist buyers with the selection of competent qualified escrow companies. The Contractor shall open escrow within one business day after the court confirmation.
- 2.8.3 No later than the fifth business day of each month, the Contractor shall provide the County with a monthly escrow status report of all properties for the prior month. This report should identify and provide contact information for the escrow company utilized, the buyer's lender when identified and outline the progress of each buyer in meeting the terms of the sales contract.

- 2.8.4 At close of escrow, the Contractor shall promptly advise County of the net proceeds of sale and provide electronically a copy of the escrow closing statement. The Contractor shall also assist the County with receipt of escrow sales proceeds and closing statements, if unnecessarily delayed, and shall provide the property keys to the buyer.

2.9 ADDITIONAL AUCTIONEERING SERVICES

- 2.9.1 In meeting the needs of the County, Contractor from time-to-time may be required to provide as needed augmented real property auctioneering services dependent upon prior approval by the TTC. The augmented real property auctioneering services shall be based upon the needs of the requesting County department, which may include, but are not limited to, real property auction dates and times, location of the real property auction(s), staffing requirements of the County and/or Contractor, and method of remitting auction proceeds, which shall be determined by mutual agreement between the requesting County departments and Contractor. At such time, the TTC will execute an Amendment to the Contract with the Contractor for such services. The requesting department shall negotiate Commission Rates for the augmented services not to exceed the Contract Commission Rates set forth in Paragraph 5.0, Commission Rates, of the Contract.
- 2.9.2 From time to time, the TTC may request Contractor to auction real property other than those handled by the PA. These situations will be considered "Special Circumstance" real property auctions. Commissions for these auctions will be agreed to in writing between the TTC and Contractor's Contract Manager/Alternate Contractor's Contract Manager, not to exceed the Contract Commission Rates set forth in Paragraph 5.0, Commission Rates, of the Contract. The Special Circumstance real property auctions will be subject to the terms and conditions of this Contract and its Statement of Work (SOW), with any exceptions or additional conditions set forth in writing and signed by the TTC and Contractor's Contract Manager/Alternate Contractor's Contract Manager.

2.10 ADDITIONAL SERVICES – COUNTY

- 2.10.1 The Contractor shall make available to the County online access to title information.

2.10.2 The Contractor shall promptly make the following reports and, if applicable, verbal acknowledgement, available upon request at no additional cost:

- a. Auction Sales Tracking Report
- b. Broker's opinion of value of Real Property

2.10.3 When necessary and upon request, the Contractor will interview conventional brokers if the County elects to sell a remote area or out of State property with a conventional broker. The County reserves the right to participate in such interviews.

2.10.4 When necessary and upon written request, the Contractor will provide services of a subcontractor auctioneer to conduct the County Secured Tax Defaulted Real Property sales.

2.11 PROPERTY CLASSIFICATIONS

2.11.1 Attachment A of this SOW contains specific property classifications and the number of properties auctioned during prior fiscal years.

2.11.2 Total properties auctioned and total gross sales may increase or decrease during each fiscal year (July 1 through June 30). Given these deviations, the TTC cannot guarantee any specific level of work and/or gross sales to the Contractor. The data provided in Attachment A of this SOW is presented solely as historical information and may not be indicative of any future workload. Referrals are typically made on a monthly basis.

3.0 GENERAL REQUIREMENTS

3.1 ADMINISTRATION OF CONTRACT – COUNTY

County Administration

A listing of all County Administration referenced in the following Subparagraphs are designated in Exhibit E, County's Administration, of this Contract. The County shall notify the Contractor in writing of any change in the names or addresses shown.

County Personnel

The TTC shall assign a County Contract Administrator and a County Contract Manager/Alternate County Contract Manager to provide overall management and coordination of the Contract and act as liaisons for the TTC. The County Contract Administrator shall provide information to the

Contractor in areas relating to policy and procedural requirements and the County Contract Manager/Alternate County Contract Manager will monitor the Contractor's performance during the term of the Contract. The TTC shall inform Contractor in writing of the name, address, and telephone number of the individuals designated to act as the County Contract Administrator and County Contract Manager/Alternate County Contract Manager identified in Exhibit E of this Contract, at the time the Contract is executed and notify Contractor as changes occur.

3.2 COUNTY'S CONTRACT ADMINISTRATOR

3.2.1 The Contract Administrator is designated in Exhibit E, County's Administration, of this Contract. The TTC shall contact the Contractor in writing of any change in the name or address of the Contract Administrator.

3.2.2 The County Contract Administrator shall be responsible for ensuring that the objectives of this Contract are met and determining Contractor's compliance with the Contract and inspecting all tasks, deliverables, goods, services, or other work provided by or on behalf of Contractor.

3.2.3 The County Contract Administrator is responsible for providing overall direction to Contractor in the areas relating to County policy, information requirements, and procedural requirements.

3.2.4 The County Contract Administrator is not authorized to make any changes in any of the terms and conditions of this Contract, except as permitted in accordance with Subparagraph 8.1, Change Notices and Amendments, of this Contract and is not authorized to further obligate County in any respect whatsoever.

3.3 COUNTY'S CONTRACT MANAGER

3.3.1 The responsibilities of the County Contract Manager/Alternate County Contract Manager include:

- Request meetings as needed with the Contractor's Contract Manager/ Alternate Contractor's Contract Manager; and
- Inspect any and all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor.

3.3.2 The County Contract Manager/Alternate County Contract Manager is not authorized to make any changes in any of the terms and

conditions of this Contract and is not authorized to further obligate the County in any respect whatsoever.

3.3.3 The TTC reserves the right to have County Contract Administrator and/or County Contract Manager/Alternate County Contract Manager, or the designated alternate interview any or all prospective employees of Contractor who may provide services pursuant to this agreement.

3.4 COUNTY'S CONTRACT MONITOR

The County's Contract Monitor is responsible for overseeing the day-to-day administration of this Contract. The Contract Monitor reports to the County's Contract Manager/Alternate County Contract Manager.

3.5 COUNTY SECURED PROPERTY DIVISION LIAISON

The County Secured Property Division Liaison is responsible for all matters pertaining to the tax defaulted property auction calling services, as set forth in Subparagraph 2.6, Tax Defaulted Property Sales.

3.6 ADMINISTRATION OF CONTRACT – CONTRACTOR

Contractor Personnel

Contractor shall assign a sufficient number of employees to perform the required work. At least one employee on site shall be authorized to act for Contractor in every detail and must speak and understand English.

Contractor shall be required to background check its employees as set forth in Subparagraph 7.5, Background & Security Investigations, of the Contract.

3.7 CONTRACTOR'S CONTRACT ADMINISTRATOR

3.7.1 Contractor's Contract Administrator shall be a full-time employee of Contractor. Contractor's Contract Administrator shall be the principal officer in the Contractor's office to service the Contract and to act as a liaison for the Contractor in coordinating the performance under the Contract. The TTC must be provided in writing with the name, address, and telephone number of the individual designated to act as Contract Administrator, or any alternate identified in Exhibit F of the Contract and provide a current copy of the person's resume at the time the Contract is executed and notify the TTC as changes occur.

- 3.7.2 Contractor's Contract Administrator shall be responsible for Contractor's performance of all tasks, deliverables, goods, services, or other work provided by or on behalf of Contractor and ensuring Contractor's compliance with the Contract.
- 3.7.3 Contractor's Contract Administrator shall be available to meet and confer with County's Contract Administrator on an as needed basis, either in person or by telephone as mutually agreed by the parties, to review Contract performance and discuss project coordination. Such meetings shall be conducted at a time and place as mutually agreed by the parties.

3.8 CONTRACTOR'S CONTRACT MANAGER

- 3.8.1 Contractor's Contract Manager/Alternate Contractor's Contract Manager shall be a full-time employee of Contractor. The Contractor shall inform the TTC in writing of the name, address, and telephone number of the individual designated to act as Contractor's Contract Manager/Alternate Contractor's Contract Manager, identified in Exhibit F of the Contract, and provide a current copy of the person's resume at the time the Contract is executed and notify the TTC as changes occur.
- 3.8.2 The Contractor's Contract Manager/Alternate Contractor's Contract Manager shall possess a valid California Real Estate Brokers' License and maintain such in good standing and five years of documented related experience (e.g., resume, degree, certificate of completion) in providing real property auctioneering services either with the Contractor or documented experience with another firm prior to employment with the Contractor.
- 3.8.3 The Contractor shall inform the TTC Contract Administrator in writing of the names, addresses, and telephone numbers of the individuals designated to act as Contractor's Contract Manager/Alternate Contractor's Contract Manager at the time the Contract is implemented and as changes occur during the term of the Contract. Such notification shall be made by the Contractor no later than five business days after a change occurs and shall include a current resume and copy of the real estate brokers' license for the new Contractor's Contract Manager/Alternate Contractor's Contract Manager. The TTC shall have the right to approve the assignment or replacement of any Contractor's Contract Manager/Alternate Contractor's Contract Manager recommended by the Contractor.

3.8.4 The Contractor's/Alternate Contractor's Contract Manager shall have full authority to act for the Contractor on all matters relating to the daily operation of the Contract. The Contractor's/Alternate Contractor's Contract shall be available during normal work hours, 8:00 a.m. to 5:00 p.m. (Pacific Time), Monday through Friday, for telephone and email contact and to meet with the TTC personnel designated to discuss the operation of the Contract. The TTC shall have the right to approve the assignment or replacement of any Contractor's Contract Manager/Alternate Contractor's Contract recommended by the Contractor.

3.9 CONTRACTOR EMPLOYEES

- 3.9.1 The Contractor shall provide all personnel with a standard photo identification badge acceptable to the TTC, which indicates the person's name, and identification number, name of Contractor, a statement which identifies the person as a Contractor/Contractor Employee for the TTC, and the TTC's telephone number (to be provided to Contractor by the County's Contract Administrator). The format and content of the badge is subject to the TTC's approval prior to the Contractor implementing the badge's use. Contractor's employees, while on duty, shall prominently display the photo identification badge on the upper part of their body.
- 3.9.2 The Contractor is responsible for providing, training, and supervising the personnel assigned to perform services under the Contract. All personnel assigned by the Contractor to perform these services shall at all times be employees of the Contractor and the Contractor shall have the sole right to hire, suspend, discipline, or discharge them. However, any employee of the Contractor, who in the opinion of the County, is unsatisfactory shall be removed from the performance of services related to the Contract immediately upon the written request of the County Contract Manager/Alternate County Contract Manager.
- 3.9.3 All personnel providing services in conjunction with the Contract will be required to sign an Employee Acknowledgement and Confidentiality as set forth in Exhibits G1, G2, and G3, of the Contract. During the term of the Contract, the Contractor shall maintain an updated file of the signed forms at all times and shall forward copies of all signed forms to the County Contract Administrator within five business days of assigning an employee to provide services under the Contract. Contractor shall notify the County in writing of any changes in personnel within five business days of choosing same.

3.9.4 The Contractor shall ensure a high standard of conduct of its personnel, including compliance at all times with any applicable State and Federal regulations related to real property sales and auctions and the specific requirements of the Contract. The Contractor's employees and their immediate family members shall not directly or indirectly purchase property of any kind from any PA auction or sale or any tax defaulted property auction.

3.9.5 The Contractor's personnel assigned to provide services under the Contract shall, at a minimum, possess the following:

- a. Ability to speak, read, and write fluently in the English language.
- b. Ability to communicate effectively using good judgment and discretion.
- c. Prior training and experience in performing the required services.
- d. Ability to comply with the requirements of the Contract.

3.10 APPROVAL OF CONTRACTOR'S STAFF

The County has the absolute right to approve or disapprove all of the Contractor's staff performing work hereunder and any proposed changes in the Contractor's staff including, but not limited to, the Contractor's Contract Manager/Alternate Contractor's Contract Manager.

4.0 QUALITY CONTROL

The Contractor shall establish and utilize a comprehensive Quality Control Plan to assure the County a consistently high level of service throughout the term of the Contract. The Plan shall be submitted to the County Contract Monitor for review. The plan shall include, but may not be limited to, the following:

- a. Method of monitoring to ensure that Contract requirements are being met;
- b. A record of all inspections conducted by the Contractor, any corrective action taken, the time a problem was first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action shall be provided to the County upon request.

4.1 COUNTY QUALITY MONITORING

On an ongoing basis, Contractor performance will be compared to the Contract standards as set forth in the Performance Requirements Summary. The County may use a variety of inspection methods to evaluate the Contractor's performance. These methods may include, but are not limited to:

- a. Effectiveness of advertising
- b. Conduct of auctions
- c. User complaints
- d. Handling of Court Confirmation process
- e. Handling of Escrow process
- f. Management Information System reported results
- g. 100% inspection of completeness of reports on a periodic basis
- h. Adherence to County policies, procedures, rules and regulations

4.2 QUALITY ASSURANCE PLAN

4.2.1 The County will evaluate the Contractor's performance under this Contract using the quality assurance procedures as defined in the Contract, Paragraph 8, Standard Terms and Conditions, Sub-paragraph 8.15, County's Quality Assurance Plan.

4.2.2 Meetings

Contractor shall meet with the County Contract Manager/Alternate County Contract Manager at reasonable times, as determined by the County Contract Manager/Alternate County Contract Manager. In the event the meeting(s) pertain to the tax defaulted property auction calling services, Contractor shall meet with the County Secured Property Division Liaison as necessary. Failure to attend mandatory meetings will be cause for an assessment of \$1,000.00 per occurrence.

4.2.3 Contract Discrepancy Report (SOW Exhibit 1 of Appendix C)

Verbal notification of a Contract discrepancy will be made to the Contract Project Monitor as soon as possible whenever a Contract discrepancy is identified. The problem shall be resolved within a time period mutually agreed upon by the County and the Contractor.

The County Contract Monitor will determine whether a formal Contract Discrepancy Report shall be issued. Upon receipt of this document,

the Contractor is required to respond in writing to the County Contract Manager/Alternate County Contract Manager within three workdays, acknowledging the reported discrepancies or presenting contrary evidence. A plan for correction of all deficiencies identified in the Contract Discrepancy Report shall be submitted to the County Contract Manager/Alternate County Contract Manager within five working days.

4.2.4 County Observations

In addition to Departmental contracting staff, other County personnel may observe performance, activities, and review documents relevant to this Contract at any time during normal business hours. However, these personnel may not unreasonably interfere with the conduct of an auction or the Contractor's performance. In addition, the Contractor is not required to work on the following the County recognized holidays:

- New Year's Day
- Martin Luther King, Jr.'s Birthday
- Presidents' Day
- Memorial Day
- Independence Day
- Labor Day
- Columbus Day
- Veterans' Day
- Thanksgiving Day
- Friday after Thanksgiving Day
- Christmas Day

4.2.5 Complaints

4.2.5.1 In the event the Contractor receives any verbal or written complaints regarding the contracted services, the Contractor shall immediately notify the County Contract Administrator. Such notification shall be by telephone and followed in writing within three business days. The Contractor shall provide the County Contract Administrator with a copy of any written complaint within three business days of receipt of the written complaint. The County Contract Administrator shall immediately notify the Contractor of any verbal or written complaints about the Contractor by telephone and follow up in writing within three business days, and shall provide the Contractor with copies of any written complaints received by the County within three business days of receipt.

- 4.2.5.2 The Contractor shall maintain a master complaint log of all complaints received. The Contractor shall promptly investigate all complaints received and provide a written report to the County Contract Administrator regarding the disposition of each verbal and written complaint within five business days of written notification of such complaint. Minimum elements of the written report shall include a statement of the complaint, identification by name of the Contractor employee(s) involved, results of the Contractor's investigation of the complaint, and a statement regarding the corrective action taken to avoid a recurrence of such a complaint.
- 4.2.5.3 The County retains the right to terminate the Contract in accordance with Paragraph 8.43, Termination for Default, of the Contract, if the Contractor does not take any action with regards to said complaint(s).

5.0 GREEN INITIATIVES

- 5.1 Contractor shall use reasonable efforts to initiate "green" practices for environmental and energy conservation benefits.
- 5.2 Contractor shall notify County's Project Manager of Contractor's new green initiatives prior to the contract commencement.

6.0 PERFORMANCE REQUIREMENTS SUMMARY

A Performance Requirements Summary (PRS) chart, Technical Exhibit 2 of Appendix C, listing required services that will be monitored by the County during the term of this Contract is an important monitoring tool for the County. The chart should:

- refer to the applicable section of the contract
- list required services to be provided
- indicate method of monitoring the services
- indicate the deductions/fees to be assessed for each service that is not satisfactorily performed

All listings of services used in the PRS are intended to be completely consistent with the Contract and the SOW, and are not meant in any case to create, extend, revise, or expand any obligation of Contractor beyond that defined in the Contract and the SOW. In any case of apparent inconsistency between services as stated

in the Contract and the SOW and this PRS, the meaning apparent in the Contract and the SOW will prevail. If any service seems to be created in this PRS which is not clearly and forthrightly set forth in the Contract and the SOW, that apparent service will be null and void and place no requirement on Contractor.

EXHIBIT A1 STATEMENT OF WORK ATTACHMENTS

Attachment A – Number of Real Property Sales
(Fiscal Years July 2009 through June 2012)

Attachment 1 – Notice of Sale of Real Property at Public Auction

Attachment 2 – Contract to Secure Purchasers of Real Property at Public Auction

Attachment 3 – Terms of Sale

Attachment 4 – Offer to Purchase Real Property

Attachment 5 – Bid in Open Court in Sale of Real Property

Attachment A
Number of Real Property Sales

(Fiscal Years July 2009 through June 2012)

Auction Date	Improved Property	Unimproved Property	Mobile Home	Time Share	Overall Properties sold per Auction	Gross Sales	Brokers Utilized
Jul-09	15	2	1		18	\$4,274,900.00	11
Sep-09	17	2			19	\$4,216,333.34	12
Dec-09	16	2			18	\$2,881,500.00	10
Feb-10	12	6			18	\$3,546,000.00	10
Mar-10	3				3	\$1,480,000.00	3
May-10	12	1		2	15	\$3,401,500.00	10
Sub-total:	75	13	1	2	91	\$19,800,233.34	56
Auction Date	Improved Property	Unimproved Property	Mobile Home	Time Share	Overall Properties sold per Auction	Gross Sales	Brokers Utilized
Jul-10	11				11	\$2,330,000.00	8
Sep-10	17	3			20	\$3,635,000.00	11
Dec-10	10	1			11	\$2,000,000.00	2
Mar-11	16	4	2		22	\$3,709,000.00	9
May-11	20	2			22	\$3,011,000.00	16
Sub-total:	74	10	2		86	\$14,685,000.00	46
Auction Date	Improved Property	Unimproved Property	Mobile Home	Time Share	Overall Properties sold per Auction	Gross Sales	Brokers Utilized
Jul-11	14	11	2		27	\$3,076,400.00	12
Sep-11	18		1	1	20	\$4,202,000.00	6
Dec-11	17	5			22	\$3,485,500.00	8
Feb-12	17	1	1		19	\$2,527,000.00	7
Apr-12	20	8			28	\$4,986,000.00	16
Jun-12	21	4			25	\$4,905,000.00	19
Sub-total:	107	29	4	1	141	\$23,181,900.00	68
Grand Total:	256	52	7	3	318	\$57,667,133.34	170

Note: The number of Real Property sales identified above are not a guarantee of real properties that may be auctioned in the future. The TTC reserves the right to pull estate and conservatorship properties from auction when deemed in the best interest of the County.

John F. Krattli
 Los Angeles County Counsel
 350 S. Figueroa Street, Suite 602
 Los Angeles, CA 90071

SUPERIOR COURT OF THE STATE OF CALIFORNIA
 FOR THE COUNTY OF LOS ANGELES

Estate of _____

Deceased

EA No.
 Case No. **BP**

**NOTICE OF SALE OF
 REAL PROPERTY AT
 PUBLIC AUCTION**

Notice is hereby given that the undersigned, the office of the Public Administrator as Administrator of the estate of , Deceased will sell at Public Auction on , at , on the premises as hereinafter described, to the highest and best bidder upon the terms and conditions hereinafter mentioned, subject to the confirmation by the Superior Court, all the right, title and interest of said *decedent* at the time of death, and all the right, title and interest that the estate of said *decedent* has by operation of law or otherwise acquired other than, or in addition to, that of said *decedent* at the time of death in and to all of that certain real property described as follows, to-wit:

SEE "ATTACHMENT"

The first ***Five Thousand Dollars (\$5,000.00)*** or 10% deposit must be in the form of a Cashier's Check.

Subject to current taxes, conditions, covenants, restrictions, reservations, easements, rights and rights of way of record.

The sale will be made on the following terms: Cash in lawful money of the United States upon the confirmation of sale. Deposit of ten percent in cash upon acceptance of bid.

Policy of title and one-half of escrow fees at expense of seller and one-half of escrow fees at expense of the purchaser.

A ***sixty day*** escrow shall be opened by the seller at an escrow company of buyer's choice.

Taxes, rent, fire insurance and interest on encumbrances, if any, shall be pro-rated to the close of escrow.

The undersigned reserves the right to reject any and all bids, and to postpone the sale from time to time in accordance with the provisions of Sections 10350-51 of the Probate Code.

Dated: _____

Los Angeles County PUBLIC ADMINISTRATOR,
 As Administrator of the above-entitled Estate

By _____
 Deputy Public Administrator

John F. Krattli
 Los Angeles County Counsel
 350 S. Figueroa Street, Suite 602
 Los Angeles, CA 90071

SUPERIOR COURT OF THE STATE OF CALIFORNIA
 FOR THE COUNTY OF LOS ANGELES

Estate of

Deceased

EA No.
 Case No. **BP**

**CONTRACT TO SECURE
 PURCHASERS OF REAL
 PROPERTY AT PUBLIC AUCTION**

This agreement, executed in triplicate this day of , , by and between , a licensed auctioneer, and the Public Administrator of the County of Los Angeles, as Administrator of the above entitled estate, witnesseth:

That the Auctioneer agrees to conduct a public auction sale of certain real property of the above-entitled estate, being administered by the Public Administrator on the day of , , on the premises, in accordance with the Notice of Sale of Real Property, duly published in the matter of this estate to which reference is hereby made.

That the Auctioneer agrees to advertise said auction sale of real property by circularizing the trades interested by inserting display advertisements covering said sale in newspaper of general circulation in the community.

And in consideration thereof the Administrator agrees to pay and the Auctioneer to accept, in full payment of all services required and performed under this contract, a commission of % on the sale of said real property.

This agreement is made pursuant to Sections 10150-10168 of the Probate Code, and is understood and agreed that by the execution of this contract no personal liability shall attach to the Administrator, and no liability of any kind shall be incurred by the above-entitled estate unless an actual sale of real property at auction is made and confirmed by the Court.

In witness whereof the said parties have hereunto set their hands this day and year first above written.

County of Los Angeles Public Administrator
 as Administrator of the above-entitled Estate
 (Inventory No. R)

 AUCTIONEER

By _____
 Craig R. Hendrickson
 Principal Deputy Public Administrator

TERMS OF SALE

Notice is hereby given that the undersigned Seller, the **[Public Administrator - or - Public Guardian]**, as **[Administrator - or - Conservator]** of the **Estate of [Estate Name]**, will sell at public auction on **[Auction Date]** at **[Time]** on the premises as hereinafter described, to the highest and best bidder upon the terms and conditions hereinafter mentioned, and subject to the confirmation of sale by the Superior Court, all the right, title and interest said **[deceased - or - conservatee]** has by operation of law, or has otherwise acquired since **[death - or - being conserved]**, in and to all of that certain real property commonly described as follows:

(ADDRESS)

The property is offered together with improvements thereon **as is, where is, with no warranty expressed or implied**. The Buyer assumes any "Notice of Violation or Substandard" posted against the property prior to the sale and after. The Buyer purchases the property subject to the rights of tenants in possession, if any. Should the Buyer default on this sale, the procedures and remedies set forth in Probate Code Section 10350 et seq. shall apply, which provides that the Buyer may forfeit his/her 10% deposit and be **"subject to additional damages."** The Seller and the Auctioneer make no representations regarding the properties offered for sale, e.g., square footage, zoning, etc. Bidders must rely on their own inspections and research prior to bidding. No termite clearance is provided.

At minimum, ten percent (10%) of the Buyer's purchase price must be paid as a deposit at the conclusion of the auction. The first \$5,000 of the 10% deposit must be in the form of a cashier's check or cash. The remainder of the deposit must be in the form of a cashier's check, personal check or cash. The title will be clear, subject to current taxes, conditions, covenants, restrictions, reservations, easements, rights and rights-of-way of record.

The sale will be made on the following terms:

1. A policy of title insurance from a company of Seller's choice, and one-half of escrow fees shall be at the expense of Seller. One-half of escrow fees shall be at the expense of Buyer.
2. A sixty-day escrow will be opened at a company of Buyer's choice.

The undersigned reserves the right to reject any and all bids, and to postpone the sale from time to time in accordance with the provisions of Section 783 of the Probate Code.

Sales of these properties are subject to the Seller's approval and Probate Court confirmation. In the event the sale of the property is not confirmed by the Court, the high bidder's deposit will be returned. Overbids may be accepted by the court if they are made in court and they are in an amount equal to the accepted bid, plus five percent (5%) of that amount plus \$500. The court shall determine any further incremental successive overbidding amounts.

All Bidders acknowledge they are not employees, nor immediate family members of employees, of the Los Angeles County Treasurer and Tax Collector Department, the Los Angeles County Mental Health Services Department, Office of the Los Angeles County Counsel, or of the auction company. All descriptions and information are derived from sources deemed reliable, but no guarantee is expressed or implied. Announcements made on the day of the sale will take precedence.

OFFER TO PURCHASE REAL PROPERTY

Hall of Records
320 W. Temple Street – 9th Floor
Los Angeles, California 90012

TOTAL DEPOSIT \$ _____

Auction Date: _____

To the County of Los Angeles { ☐ Public Guardian, as Conservator ☐ Public Administrator, as Administrator } of the Estate of _____, and in accordance with the notice of sale therein, the undersigned hereby bids the sum of _____ Dollars and NO/100s (\$ _____) Cash for the real property described as follows, to wit:

PLEASE SEE LEGAL DESCRIPTION ON ATTACHED EXHIBIT

I(we) understand this offer creates no obligation upon the { ☐ Public Guardian, as Conservator ☐ Public Administrator, as Administrator } of said estate (hereinafter Seller), except that if he accepts this offer as the highest and best bid received, he will present it to the Court for confirmation. In the event the sale of the property is not confirmed by the Court, said Conservator or Administrator shall return this deposit to me(us), the undersigned.

I(we) understand a **sixty-day** escrow shall be **opened** by the Conservator/Administrator with an escrow agent of Seller's choice. The parties hereto agree to extend the scheduled close of this escrow for up to fifteen (15) Days as may be needed in order to accommodate receipt of any/all Court related documentation necessary to close this transaction; OR escrow shall close within fifteen (15) Days from Escrow Holder's or Buyer's receipt of a copy of the Court's Order Confirming Sale.

(Applies only if ☐ Checked) **NOTE:** This is a "Short Sale", subject to Lender's approval. If checked, I(we) acknowledge this sale may require up to six (6) months to confirm in court, subject to overbidding. I further certify by initialing to the right that I have received a copy of the CAR Purchase Agreement Addendum. Buyers' Initials: _____

I further deposit herewith the greater of ten percent (10%) of the purchase price, or Five Thousand Dollars (\$5,000), minimum, to guarantee that I will complete this purchase if the sale of the property to me is confirmed by the Court. In that event, the deposit will be applied to the purchase price and any closing costs, and the difference, if any, refunded to me at closing. **Per Probate Code § 10350, I understand my deposit may be forfeited if I fail or refuse to fund this purchase or to close escrow. I also understand I may be liable for additional damages caused by my failure or refusal to close.** If the Court confirms sale to another party who overbids me, I will receive my deposit back.

The Seller agrees to secure a Policy of Title Insurance at no cost to the Buyer. Each party will pay one half of the escrow charges. Sales will be subject to the rights of tenants-in-possession. Taxes, rents, fire insurance, and interest on encumbrances shall be pro-rated to close of escrow. No termite clearance will be provided by the Seller.

If the Court is requested to fix a commission to be allowed a licensed real estate broker, the following will be given:

Contractor

Street Address, City, State, Zip Code
License No. : 00000000
Telephone No. : (000)-000-0000

By signing below, I(we) affirm that I(we) am(are) not entitled to and will not share in any commission allowed to the broker. I(we) also agree to pay the expense for and secure a Residential Property Report and a Natural Hazard Disclosure Statement, as required by the City of Los Angeles, California, if applicable.

THE DEED WILL READ EXACTLY AS BID IS SIGNED – PRINT CLEARLY

NOTE: Show marital status in Vesting instructions. If married, show whether property is to be the separate property of one spouse, or if it is to be deeded to both. If both, show whether they take as "joint tenants" or "tenants in common". If bidder is married, both husband and wife should sign.

Bidder
Signatures: _____

Vesting: _____

SEE EXHIBIT "A"

Bidder's
Address: _____
Bidder's
Telephone: _____

NAME, ADDRESS, AND TELEPHONE NUMBER OF ATTORNEY OR PARTY WITHOUT ATTORNEY:	STATE BAR NUMBER	<i>Reserved for Clerk's File Stamp</i>
ATTORNEY FOR (Name):		
SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES		
COURTHOUSE ADDRESS:		
ESTATE OF:		
BID IN OPEN COURT ON SALE OF REAL PROPERTY		CASE NUMBER:

I hereby offer the sum of _____
 (which sum exceeds the amount stated in the return by at least 10% of the first \$10,000 and 5% of the
 balance, if any) for the following described property:

and, as more fully described in the return of sale on file.

Terms of sale as follows:

Name(s) of Purchaser(s): _____

Title shall be held as follows: _____

It is understood that this bid is subject to confirmation of the Court.

The name of the real estate agent procuring this bid, and to whom commission is to be paid according to
 law if confirmed by the Court to the bidder, is as follows:

Commissions to be divided as indicated: _____.

Date: _____

 Signature of Bidder

 Estate Representative

 Print Name of Bidder

After the above is correctly filled out and the sale is confirmed in accordance,
 the written bid must be filed with the Clerk of the Court.

BID IN OPEN COURT ON SALE OF REAL PROPERTY

COMMISSION RATES

REAL PROPERTY AUCTIONEERING SERVICES

1. Public Administrator/Public Guardian (PA/PG) Real Property Commission Rates Schedule

<u>TYPE OF PROPERTY</u>	<u>COMMISSION RATE</u>
Real Property	4 %*
Mobile Homes	0 %*

* Contractor will absorb all costs of advertising, collateral, auction day expenses, and Cooperating Brokers and will provide all personnel, equipment, tools, necessary supplies, and supervision relating to PA/PG Real Property sales. Contractor will be compensated at the commission rate indicated above.

2. Tax Defaulted Property Fixed Daily Rate Sales Schedule

<u>TYPE OF PROPERTY</u>	<u>FIXED DAILY RATE</u>
Real Property	\$ ** Free

** Contractor will provide staff for the provision of auction calling services only. Contractor is not responsible for any sales preparation, advertising, or marketing activities relating to the sale of Tax Defaulted Property. Contractor will be compensated at the fixed daily rate indicated above.

EXHIBIT C

TECHNICAL EXHIBITS

TABLE OF CONTENTS

<u>Exhibits</u>	<u>Page</u>
1 CONTRACT DISCREPANCY REPORT	1
2 PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART	2

TECHNICAL EXHIBIT 1
CONTRACT DISCREPANCY REPORT

TO:**FROM:**

DATES: **Prepared:** _____
 Returned by Contractor: _____
 Action Completed: _____

DISCREPANCY PROBLEMS: _____

Signature of County Representative_____
Date

CONTRACTOR RESPONSE (Cause and Corrective Action): _____

Signature of Contractor Representative_____
Date

COUNTY EVALUATION OF CONTRACTOR RESPONSE: _____

Signature of Contractor Representative_____
Date

COUNTY ACTIONS: _____

CONTRACTOR NOTIFIED OF ACTION:

County Representative's Signature and Date _____

Contractor Representative's Signature and Date _____

REAL PROPERTY AUCTIONEERING SERVICES

PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/PENALTIES TO BE ASSESSED
Contract: Paragraph 7.0 - Administration of Contract-Contractor	Contractor shall notify the County in writing of any change in name or address of the Contract Manager and/or Alternate Contract Manager.	Inspection & Observation	\$50 per day that notification is late.
Contract: Paragraph 7.0, Contract Manager and/or Alternate Contract Manager	Notify TTC of changes, with resume, within 5 business days.	Complaints	\$50 per day that notification is late.
Contract: Paragraph 7.5, Background and Security Investigation	Employee Background Checks	Complaints, spot checks of assigned personnel.	\$500 per incident per employee of noncompliance.
Contract: Sub-paragraph 7.6, Confidentiality	Employee Acknowledgement and Confidentiality Agreement signed and provided to TTC within 3 working days.	Review of reports; complaints	<ul style="list-style-type: none"> • \$100 per day per employee when form not signed. • \$1,000 per unauthorized release of information.
Contract: Paragraphs 8.24 and 8.25, Insurance	Maintain required insurance policies.	Receipt and review of insurance information.	\$100 per day late; Note:Contract termination at TTC's option.
Contract: Sub-paragraph 8.38 - Record Retention & Inspection/Audit Settlement	Contractor to maintain all required documents as specified in Sub-paragraph 8.3.8	Inspection of files	\$50 per occurrence; \$500 per occurrence if not recovered within 48 hours.
Contract: Sub-paragraph 8.38 - Record Retention & Inspection/Audit Settlement, Subparagraph 8.38.4.	Provide required financial statements according to schedule.	Review of reports	\$50 per each day that report is late.
Contract: Sub-paragraph 8.40 - Subcontracting	Contractor shall obtain County's written approval prior to subcontracting any work.	Inspection & Observation	\$500 per occurrence; possible termination for default of contract.
SOW: Sub-paragraph 2.3.2, Create individual property file.	Individual property file created and maintained as required.	On-site review of property files.	<ul style="list-style-type: none"> • \$50 per each incomplete property file. • \$100 for each property file not created.
SOW: Sub-paragraph 2.4.1, Place "For Sale" sign at property.	Sign placed timely and maintained as required.	Visual checks of properties.	<ul style="list-style-type: none"> • \$50 per day per sign not placed.

REAL PROPERTY AUCTIONEERING SERVICES

PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

SOW: Sub-paragraph 2.4.2, Submit marketing plan for each property referred.	Marketing plan submitted timely and complete.	Receipt and review of plan.	<ul style="list-style-type: none"> • \$50 per day late. • \$50 per incomplete plan.
SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/PENALTIES TO BE ASSESSED
SOW: Sub-paragraph 2.4.3, Implement marketing plan.	Plan implemented as required.	Review of Plan approved by County's Contract Administrator and advertising media.	<ul style="list-style-type: none"> • \$100 per day of non-compliance.
SOW: Sub-paragraph 2.4.6, Publish legal notice.	Publish appropriate legal notices.	Copy of published notice to file.	<ul style="list-style-type: none"> • \$50 per day per ad not placed.
SOW: Sub-paragraph 2.5, Public Auction.	Auction conducted as required.	On-site review of auction, review of audiotape or other recorded media	<ul style="list-style-type: none"> • \$500 per incidence of non-compliance.
SOW: Sub-paragraph 2.5.6, Submit audiotapes or other recorded media of auction.	Audible tapes or other recorded media submitted within 5 working days of auction.	Receipt and review of tapes or other recorded media.	<ul style="list-style-type: none"> • \$50 per day late. • \$100 per inaudible tape or other recorded media.
SOW: Sub-paragraph 2.8.4, Provide monthly escrow reports.	Monthly reports provided as required.	Receipt and review of reports.	<ul style="list-style-type: none"> • \$50 per day late. • \$100 per incomplete/ inaccurate report.
SOW: Sub-paragraph 3.9, Contractor Employees	Notify TTC in writing of changes in personnel within 5 business days of choosing someone.	Receipt and review of employee notices to County.	<ul style="list-style-type: none"> • \$50 per day that notification is late.
SOW: Sub-paragraph 3.9.3 Contractor Employees	Employee Acknowledgement and Confidentiality Agreement signed and provided within 5 business days.	Review of reports, employee files and completed forms.	<ul style="list-style-type: none"> • \$50 per day per employee when form not submitted.
SOW: Sub-paragraph 4.0 Maintain written Quality Control Plan.	Quality Control Plan maintained and provided as required.	Receipt and review of plan.	<ul style="list-style-type: none"> • \$50 per each day late. • \$100 if plan is incomplete.
SOW: Sub-paragraph 4.2.5, Complaints	Handle complaints as required.	Complaints, review of logs.	<ul style="list-style-type: none"> • \$100 per day late.
SOW: Sub-paragraph 4.2.3, Meetings	Contractor's representative to attend monthly meetings.	Attendance.	<ul style="list-style-type: none"> • \$1000 per occurrence.

CONTRACTOR'S EEO CERTIFICATIONKennedy Wilson, Inc.

Contractor Name

9701 Wilshire Blvd., Suite 700, Beverly Hills, CA 90212

Address

95-4364537

Internal Revenue Service Employer Identification Number

GENERAL CERTIFICATION

In accordance with Section 4.32.010 of the Code of the County of Los Angeles, the contractor, supplier, or vendor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

CONTRACTOR'S SPECIFIC CERTIFICATIONS

- | | | |
|--|---|-----------------------------|
| 1. The Contractor has a written policy statement prohibiting discrimination in all phases of employment. | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| 2. The Contractor periodically conducts a self analysis or utilization analysis of its work force. | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| 3. The Contractor has a system for determining if its employment practices are discriminatory against protected groups. | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| 4. Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables. | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |



Authorized Official's Printed Name and Title

Richard Winchell, President

Authorized Official's Signature

12/11/2013
Date

COUNTY'S ADMINISTRATION

CONTRACT NO. _____

COUNTY CONTRACT ADMINISTRATOR:

Name: Craig R. Hendrickson
Title: Operations Chief
Address: 320 W. Temple St., 8th Floor
Los Angeles, CA 90012
Telephone: (213) 974-0404
Facsimile: (213) 617-7580
E-Mail Address: chendrickson@ttc.lacounty.gov

COUNTY CONTRACT MANAGER:

Name: _____
Title: _____
Address: _____

Telephone: _____
Facsimile: _____
E-Mail Address: _____

COUNTY CONTRACT MONITOR:

Name: William Cohen
Title: Supervising Deputy Public Administrator II
Address: (same as above)
Telephone: (213) 974-0587
Facsimile: (same as above)
E-Mail Address: wcohen@ttc.lacounty.gov

CONTRACTOR'S ADMINISTRATION

CONTRACTOR'S NAME: KENNEDY WILSON, INC.

CONTRACT NO: _____

CONTRACTOR'S CONTRACT ADMINISTRATOR:

Name: Richard "Rhett" Winchell
Title: President
Address: 9701 Wilshire Blvd., Suite 700
Beverly Hills, California 90212
Telephone: (310) 887-6446
Facsimile: (310) 887-6414
E-Mail Address: rwinchell@kennedywilson.com

CONTRACTOR'S CONTRACT MANAGER:

Name: James Kim
Title: Auction Manager
Address: 9701 Wilshire Blvd., Suite 700
Beverly Hills, California 90212
Telephone: (310) 887-6245
Facsimile: (310) 887-6414
E-Mail Address: jkim@kennedywilson.com

CONTRACTOR'S ALTERNATE CONTRACT MANAGER:

Name: Jim Rosten
Title: President of Real Estate Services & Sales Division
Address: 9701 Wilshire Blvd., Suite 700
Beverly Hills, California 90212
Telephone: (310) 887-6272
Facsimile: (310) 887-6414
E-Mail Address: jrosten@kennedywilson.com

CONTRACTOR'S ADMINISTRATION**CONTRACTOR'S AUTHORIZED OFFICIAL(S)**

Name: William McMorrow
Title: CEO
Address: 9701 Wilshire Blvd., Suite 700
Beverly Hills, California 90212
Telephone: (310) 887-6433
Facsimile: (310) 887-6414
E-Mail Address: wmcmorrow@kennedywilson.com

Name: Marty Clouser
Title: Project Supervisor
Address: 9701 Wilshire Blvd., Suite 700
Beverly Hills, California 90212
Telephone: (310) 887-6422
Facsimile: (310) 887-6414
E-Mail Address: mclouser@kennedywilson.com

Notices to Contractor shall be sent to the following:

Name: Richard "Rhett" Winchell
Title: President
Address: 9701 Wilshire Blvd., Suite 700
Beverly Hills, California 90212
Telephone: (310) 887-6446
Facsimile: (310) 887-6414
E-Mail Address: rwinchell@kennedywilson.com

CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT**FORMS REQUIRED AT THE TIME OF CONTRACT EXECUTION**

Applicability of the forms below is based on the type of contract. A contract involving Information Technology (IT) services includes Copyright Assignment language whereas a non-IT Contract omits the Copyright Assignment language.

Additionally, a determination must be made whether the Contractor will complete a Confidentiality Agreement on behalf of its employees or whether the Contractor's employees and non-employees will complete the Confidentiality Agreements individually.

NON-IT CONTRACTS

G1 CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

OR

G2 CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY
AGREEMENT

G3 CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY
AGREEMENT

CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

CONTRACTOR NAME _____ Contract No. _____

GENERAL INFORMATION:

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires the Corporation to sign this Contractor Acknowledgement and Confidentiality Agreement.

CONTRACTOR ACKNOWLEDGEMENT:

Contractor understands and agrees that the Contractor employees, consultants, Outsourced Vendors and independent contractors (Contractor's Staff) that will provide services in the above referenced agreement are Contractor's sole responsibility. Contractor understands and agrees that Contractor's Staff must rely exclusively upon Contractor for payment of salary and any and all other benefits payable by virtue of Contractor's Staff's performance of work under the above-referenced contract.

Contractor understands and agrees that Contractor's Staff are not employees of the County of Los Angeles for any purpose whatsoever and that Contractor's Staff do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. Contractor understands and agrees that Contractor's Staff will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

CONFIDENTIALITY AGREEMENT:

Contractor and Contractor's Staff may be involved with work pertaining to services provided by the County of Los Angeles and, if so, Contractor and Contractor's Staff may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, Contractor and Contractor's Staff may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. Contractor and Contractor's Staff understand that if they are involved in County work, the County must ensure that Contractor and Contractor's Staff, will protect the confidentiality of such data and information. Consequently, Contractor must sign this Confidentiality Agreement as a condition of work to be provided by Contractor's Staff for the County.

Contractor and Contractor's Staff hereby agrees that they will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between Contractor and the County of Los Angeles. Contractor and Contractor's Staff agree to forward all requests for the release of any data or information received to County's Project Manager.

Contractor and Contractor's Staff agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information and all other original materials produced, created, or provided to Contractor and Contractor's Staff under the above-referenced contract. Contractor and Contractor's Staff agree to protect these confidential materials against disclosure to other than Contractor or County employees who have a need to know the information. Contractor and Contractor's Staff agree that if proprietary information supplied by other County vendors is provided to me during this employment, Contractor and Contractor's Staff shall keep such information confidential.

Contractor and Contractor's Staff agree to report any and all violations of this agreement by Contractor and Contractor's Staff and/or by any other person of whom Contractor and Contractor's Staff become aware.

Contractor and Contractor's Staff acknowledge that violation of this agreement may subject Contractor and Contractor's Staff to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: _____ DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

Real Property Auctioneering Services
Exhibits for Contract

CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

Contractor Name _____ Contract No. _____

Employee Name _____

GENERAL INFORMATION:

Your employer referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Employee Acknowledgement and Confidentiality Agreement.

EMPLOYEE ACKNOWLEDGEMENT:

I understand and agree that the Contractor referenced above is my sole employer for purposes of the above-referenced contract. I understand and agree that I must rely exclusively upon my employer for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future contract.

CONFIDENTIALITY AGREEMENT:

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by my employer for the County. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between my employer and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to my immediate supervisor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information and all other original materials produced, created, or provided to or by me under the above-referenced contract. I agree to protect these confidential materials against disclosure to other than my employer or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me during this employment, I shall keep such information confidential.

I agree to report to my immediate supervisor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to my immediate supervisor upon completion of this contract or termination of my employment with my employer, whichever occurs first.

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

Real Property Auctioneering Services
Exhibits for Contract

CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

Contractor Name _____ Contract No. _____

Non-Employee Name _____

GENERAL INFORMATION:

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Non-Employee Acknowledgement and Confidentiality Agreement.

NON-EMPLOYEE ACKNOWLEDGEMENT:

I understand and agree that the Contractor referenced above has exclusive control for purposes of the above-referenced contract. I understand and agree that I must rely exclusively upon the Contractor referenced above for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future contract.

CONFIDENTIALITY AGREEMENT:

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by the above-referenced Contractor for the County. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between the above-referenced Contractor and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to the above-referenced Contractor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information, and all other original materials produced, created, or provided to or by me under the above-referenced contract. I agree to protect these confidential materials against disclosure to other than the above-referenced Contractor or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me, I shall keep such information confidential.

I agree to report to the above-referenced Contractor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to the above-referenced Contractor upon completion of this contract or termination of my services hereunder, whichever occurs first.

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

Real Property Auctioneering Services
Exhibits for Contract

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

2.203.010 Findings.

The board of supervisors makes the following findings. The county of Los Angeles allows its permanent, full-time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the county of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the county of Los Angeles has determined that it is appropriate to require that the businesses with which the county contracts possess reasonable jury service policies. (Ord. 2002-0015 § 1 (part), 2002)

2.203.020 Definitions.

The following definitions shall be applicable to this chapter:

- A. "Contractor" means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more such contracts or subcontracts.
- B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.
- C. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:
 - 1. A contract where the board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or
 - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or
 - 3. A purchase made through a state or federal contract; or
 - 4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-3700 or a successor provision; or
 - 5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, Section 4.4.0 or a successor provision; or
 - 6. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-2810 or a successor provision; or
 - 7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section A-0300 or a successor provision; or

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8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section PP-1100 or a successor provision.
- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if:
1. The lesser number is a recognized industry standard as determined by the chief administrative officer, or
 2. The contractor has a long-standing practice that defines the lesser number of hours as full time.
- E. "County" means the county of Los Angeles or any public entities for which the board of supervisors is the governing body. (Ord. 2002-0040 § 1, 2002: Ord. 2002-0015 § 1 (part), 2002)

2.203.030 Applicability.

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable. (Ord. 2002-0040 § 2, 2002: Ord. 2002-0015 § 1 (part), 2002)

2.203.040 Contractor Jury Service Policy.

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury service. (Ord. 2002-0015 § 1 (part), 2002)

2.203.050 Other Provisions.

- A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.
- B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract. (Ord. 2002-0015 § 1 (part), 2002)

2.203.060 Enforcement and Remedies.

For a contractor's violation of any provision of this chapter, the county department head responsible for administering the contract may do one or more of the following:

1. Recommend to the board of supervisors the termination of the contract; and/or,
2. Pursuant to chapter 2.202, seek the debarment of the contractor. (Ord. 2002-0015 § 1 (part), 2002)

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2.203.070. Exceptions.

- A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.
- B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.
- C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:
 - 1. Has ten or fewer employees during the contract period; and,
 - 2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than \$500,000; and,
 - 3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

“Dominant in its field of operation” means having more than ten employees and annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, exceed \$500,000.

“Affiliate or subsidiary of a business dominant in its field of operation” means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation. (Ord. 2002-0015 § 1 (part), 2002)

2.203.090. Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. 2002-0015 § 1 (part), 2002)

SAFELY SURRENDERED BABY LAW

Safely Surrendered



No shame. No blame. No names.

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

www.babysafe-la.org



Safely Surrendered Baby Law

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

Does the parent or surrendering adult have to call before bringing in the baby?

No. A parent or surrendering adult can bring in a baby anytime, 24 hours a day, 7 days a week, as long as the parent or surrendering adult surrenders the baby to someone who works at the hospital or fire station.

Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

What happens to the parent or surrendering adult?

Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

Why is California doing this?

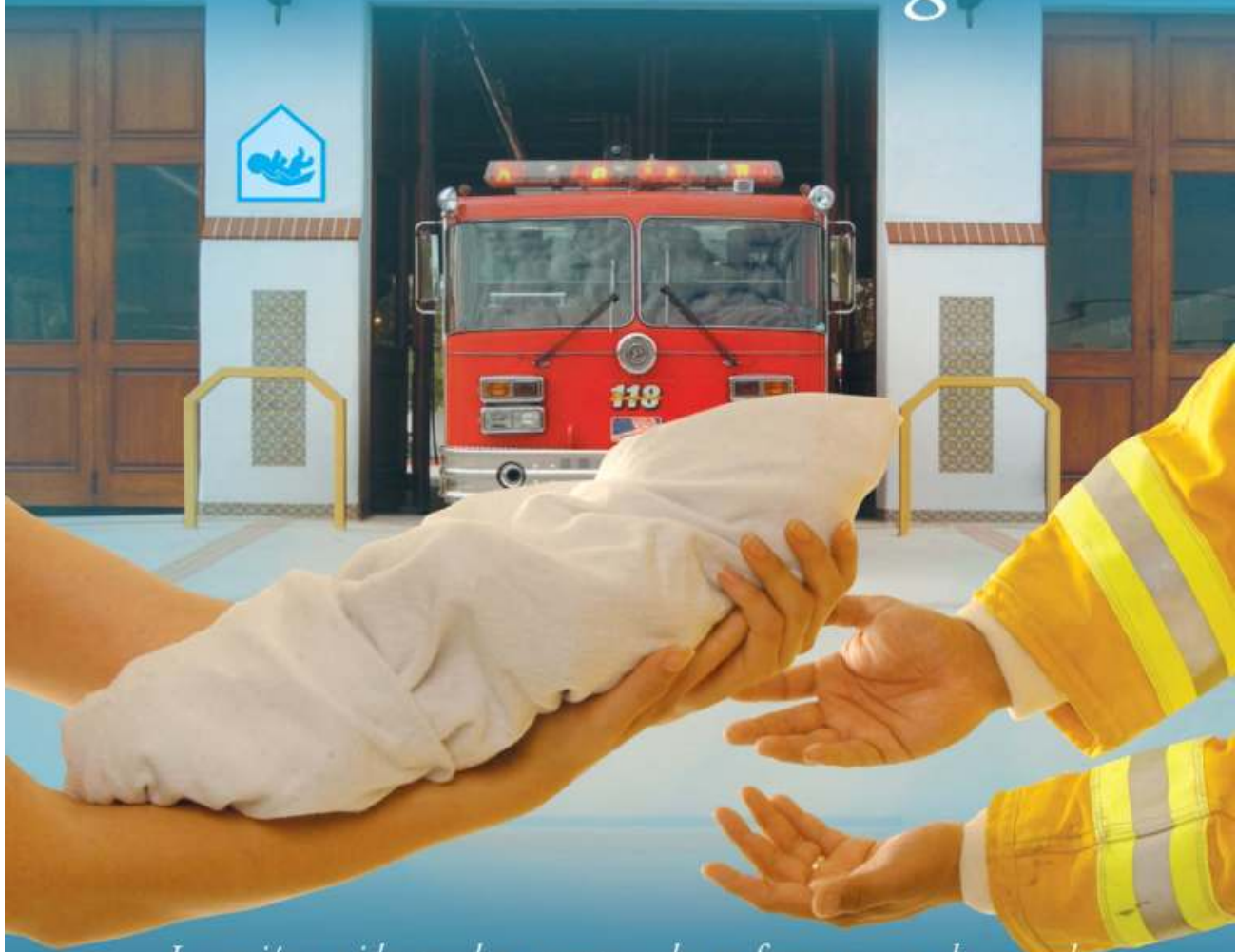
The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

A baby's story

Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.



Ley de Entrega de Bebés *Sin Peligro*



Los recién nacidos pueden ser entregados en forma segura al personal de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org

Ley de Entrega de Bebés Sin Peligro

¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazaletes y el padre/madre o el adulto que lo entregue recibirá un brazaletes igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Ángeles al 1-800-540-4000.

¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan si tienen custodia legal.

¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

¿Por qué se está haciendo esto en California? ?

La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazaletes con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.



Title 2 ADMINISTRATION
Chapter 2.206
DEFAULTED PROPERTY TAX REDUCTION PROGRAM

- 2.206.010 Findings and declarations.
- 2.206.020 Definitions.
- 2.206.030 Applicability.
- 2.206.040 Required solicitation and contract language.
- 2.206.050 Administration and compliance certification.
- 2.206.060 Exclusions/Exemptions.
- 2.206.070 Enforcement and remedies.
- 2.206.080 Severability.

2.206.010 Findings and declarations.

The Board of Supervisors finds that significant revenues are lost each year as a result of taxpayers who fail to pay their tax obligations on time. The delinquencies impose an economic burden upon the County and its taxpayers. Therefore, the Board of Supervisors establishes the goal of ensuring that individuals and businesses that benefit financially from contracts with the County fulfill their property tax obligation. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.020 Definitions.

The following definitions shall be applicable to this chapter:

- A. "Contractor" shall mean any person, firm, corporation, partnership, or combination thereof, which submits a bid or proposal or enters into a contract or agreement with the County.
- B. "County" shall mean the county of Los Angeles or any public entities for which the Board of Supervisors is the governing body.
- C. "County Property Taxes" shall mean any property tax obligation on the County's secured or unsecured roll; except for tax obligations on the secured roll with respect to property held by a Contractor in a trust or fiduciary capacity or otherwise not beneficially owned by the Contractor.
- D. "Department" shall mean the County department, entity, or organization responsible for the solicitation and/or administration of the contract.
- E. "Default" shall mean any property tax obligation on the secured roll that has been deemed defaulted by operation of law pursuant to California Revenue and Taxation Code section 3436; or any property tax obligation on the unsecured roll that remains unpaid on the applicable delinquency date pursuant to California Revenue and Taxation Code section 2922; except for any property tax obligation dispute pending before the Assessment Appeals Board.
- F. "Solicitation" shall mean the County's process to obtain bids or proposals for goods and services.
- G. "Treasurer-Tax Collector" shall mean the Treasurer and Tax Collector of the County of Los Angeles. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.030 Applicability.

This chapter shall apply to all solicitations issued 60 days after the effective date of the ordinance codified in this chapter. This chapter shall also apply to all new, renewed, extended, and/or amended contracts entered into 60 days after the effective date of the ordinance codified in this chapter. (Ord. No. 2009-0026 § 1 (part), 2009.)

Title 2 ADMINISTRATION
Chapter 2.206
DEFAULTED PROPERTY TAX REDUCTION PROGRAM

2.206.040 Required solicitation and contract language.

All solicitations and all new, renewed, extended, and/or amended contracts shall contain language which:

- A. Requires any Contractor to keep County Property Taxes out of Default status at all times during the term of an awarded contract;
- B. Provides that the failure of the Contractor to comply with the provisions in this chapter may prevent the Contractor from being awarded a new contract; and
- C. Provides that the failure of the Contractor to comply with the provisions in this chapter may constitute a material breach of an existing contract, and failure to cure the breach within 10 days of notice by the County by paying the outstanding County Property Tax or making payments in a manner agreed to and approved by the Treasurer-Tax Collector, may subject the contract to suspension and/or termination. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.050 Administration and compliance certification.

- A. The Treasurer-Tax Collector shall be responsible for the administration of this chapter. The Treasurer-Tax Collector shall, with the assistance of the Chief Executive Officer, Director of Internal Services, and County Counsel, issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other departments.
- B. Contractor shall be required to certify, at the time of submitting any bid or proposal to the County, or entering into any new contract, or renewal, extension or amendment of an existing contract with the County, that it is in compliance with this chapter is not in Default on any County Property Taxes or is current in payments due under any approved payment arrangement. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.060 Exclusions/Exemptions.

- A. This chapter shall not apply to the following contracts:
 - 1. Chief Executive Office delegated authority agreements under \$50,000;
 - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor;
 - 3. A purchase made through a state or federal contract;
 - 4. A contract where state or federal monies are used to fund service related programs, including but not limited to voucher programs, foster care, or other social programs that provide immediate direct assistance;
 - 5. Purchase orders under a master agreement, where the Contractor was certified at the time the master agreement was entered into and at any subsequent renewal, extension and/or amendment to the master agreement.
 - 6. Purchase orders issued by Internal Services Department under \$100,000 that is not the result of a competitive bidding process.
 - 7. Program agreements that utilize Board of Supervisors' discretionary funds;
 - 8. National contracts established for the purchase of equipment and supplies for and by the National Association of Counties, U.S. Communities Government Purchasing Alliance, or any similar related group purchasing organization;

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9. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles Purchasing Policy and Procedures Manual, section P-3700 or a successor provision;
 10. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, section 4.6.0 or a successor provision;
 11. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-2810 or a successor provision;
 12. A non-agreement purchase worth a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section A-0300 or a successor provision; or
 13. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual section P-0900 or a successor provision;
 14. Other contracts for mission critical goods and/or services where the Board of Supervisors determines that an exemption is justified.
- B. Other laws. This chapter shall not be interpreted or applied to any Contractor in a manner inconsistent with the laws of the United States or California. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.070 Enforcement and remedies.

- A. The information furnished by each Contractor certifying that it is in compliance with this chapter shall be under penalty of perjury.
- B. No Contractor shall willfully and knowingly make a false statement certifying compliance with this chapter for the purpose of obtaining or retaining a County contract.
- C. For Contractor's violation of any provision of this chapter, the County department head responsible for administering the contract may do one or more of the following:
1. Recommend to the Board of Supervisors the termination of the contract; and/or,
 2. Pursuant to chapter 2.202, seek the debarment of the contractor; and/or,
 3. Recommend to the Board of Supervisors that an exemption is justified pursuant to Section 2.206.060.A.14 of this chapter or payment deferral as provided pursuant to the California Revenue and Taxation Code. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.080 Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. No. 2009-0026 § 1 (part), 2009.)

CHARITABLE CONTRIBUTIONS CERTIFICATION

Company Name

Address

Internal Revenue Service Employer Identification Number

California Registry of Charitable Trusts "CT" number (if applicable)

The Nonprofit Integrity Act (SB 1262, Chapter 919) added requirements to California's Supervision of Trustees and Fundraisers for Charitable Purposes Act which regulates those receiving and raising charitable contributions.

Check the Certification below that is applicable to your company.

- ☐ Proposer or Contractor has examined its activities and determined that it does not now receive or raise charitable contributions regulated under California's Supervision of Trustees and Fundraisers for Charitable Purposes Act. If Proposer engages in activities subjecting it to those laws during the term of a County contract, it will timely comply with them and provide County a copy of its initial registration with the California State Attorney General's Registry of Charitable Trusts when filed.

OR

- ☐ Proposer or Contractor is registered with the California Registry of Charitable Trusts under the CT number listed above and is in compliance with its registration and reporting requirements under California law. Attached is a copy of its most recent filing with the Registry of Charitable Trusts as required by Title 11 California Code of Regulations, sections 300-301 and Government Code sections 12585-12586.

Signature

Date

Name and Title of Signer (please print)